

## Stakeholder Comments Template

Submitted by	Company	Date Submitted
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The Third Revised Straw Proposal posted on April 17, 2017 and the presentation discussed during the May 4, 2017 stakeholder conference call can be found on the [ESDER Phase 2](#) webpage.

Please use this template to provide your written comments on the Third Revised Straw Proposal topics listed below and any additional comments you wish to provide.

### 1. Alternative Baselines to Enhance Demand Response

Section 5.1.3 of the Third Revised Straw Proposal provides the alternative baselines proposal that was developed by the Baseline Analysis Working Group (“BAWG”). The CAISO requests that stakeholders provide comments on the proposal in the following areas:

- a) Do stakeholders support the BAWG’s recommended baselines for adoption by the CAISO?
- b) Does the BAWG’s proposal report, April 4, 2017 version, provide the necessary level of detail for demand response providers to implement the proposed baseline options?

#### **Comments:**

No comments.

### 2. Distinguishing between Charging Energy and Station Power

Section 5.2.3 of the Third Revised Straw Proposal provides the station power proposal developed by the CAISO. The CAISO requests that stakeholders provide comments on the proposal in the following areas:

- a) Given that the California Public Utilities Commission (“CPUC”) has issued a Decision on its Track 2 storage issues, it is prudent for the CAISO to seek feedback from stakeholders

on what changes should be made to the CAISO tariff in light of potential changes to retail tariffs.

- b) The CAISO believes that it also may be prudent to reduce the amount of verbiage in the CAISO's station power definition. A simpler approach for the CAISO's purposes could be to define station power simply as energy to serve load located on a generating unit site and jurisdictional to the local regulatory authority and settled pursuant to a retail tariff. The CAISO request stakeholder feedback on this subject.
- c) Based on the current CPUC Decision on its Track 2 storage issues, the CAISO's principal concern is that there could be potential for storage resources to "commingle" their charging load and station power load. The CAISO requests stakeholder feedback on what CAISO tariff revisions will be necessary to ensure that this issue does not arise. One solution could be to require that all wholesale load and retail load be metered completely separately. The CAISO is interested in other potential solutions that would not require separate metering and clear electrical bifurcation of loads.

**Comments:**

Trans Bay Cable supports simplifying the definition of station power and making clear that any load used for the direct purpose of participating in the wholesale market is not station power. There are increasing amounts of new storage and resource technologies coming to the market that will be hampered by definitions created around conventional resources or even typical battery storage. Many new resources are hybrid technologies that don't operate exactly like a battery, but will still need to withdraw load in order to produce energy later in time. These new resource types may not exactly have "charging load" but will nevertheless provide the same benefits and have the same wholesale characteristics as if they were charging to discharge energy later.

### 3. Net Benefits Test

Section 5.3.1 of the Third Revised Straw Proposal provides the net benefits test proposal developed by the CAISO. The CAISO requests that stakeholders provide comments on the proposal.

**Comments:**

No comments.

### 4. Increase Load Consumption as Demand Response Enhancement

Section 6.1.4 of the Third Revised Straw Proposal provides an update on the status of work on this topic. The CAISO believes that there are several first priority policy issues that must be

addressed before a wholesale load consumption product can be developed. The CAISO looks forward to collaborating with the CPUC and Load Consumption Working Group to help resolve these fundamental issues and develop a path forward for designing and implementing a bi-directional Proxy Demand Response product. The CAISO requests that stakeholders provide comments on the discussion in Section 6.1.4.

**Comments:**

Trans Bay Cable appreciates the difficulty in the CAISO acting alone to develop a PDR- wholesale load consumption product. It seems like multiple models could be used for wholesale consumption, such as the NGR model where the Pmax is set to zero and the entity is entirely metered as an ISO resource. Trans Bay Cable supports phase three looking into multiple energy options for resources that are willing to pull wholesale energy off the grid and decoupling the technical optimization and metering issues from the resource adequacy discussion.

**5. Non-Generating Resource Enhancements**

Section 6.2.4 of the Third Revised Straw Proposal provides an update on the status of work on enhancements to the non-generating resource model. The CAISO requests that stakeholders provide comments on the discussion in Section 6.2.4.

**Comments:**

Trans Bay Cable supports these discussed enhancements being a priority in ESDER phase three and specifically believes the focus should be on understanding physical limitations of different technologies.

**6. Multiple-Use Applications**

Section 6.3.3 of the Third Revised Straw Proposal provides an update on the status of work on multiple-use applications. The CAISO requests that stakeholders provide comments on the discussion in Section 6.3.3.

**Comments:**

No comments.

**7. ESDER Phase 3**

Section 7 of the Third Revised Straw Proposal provides a discussion about the topics that the CAISO currently anticipates will be within the scope of a third phase of the ESDER initiative. The CAISO requests stakeholder input on additional topics that could be included in the scope for ESDER phase 3.

**Comments:**

Trans Bay Cable supports ESDER phase three considering how new resource types can optimally participate in the energy and ancillary service markets. Given the anticipated over-generation concerns and continued negative prices during the mid-day, it is likely facilities that historically been on the retail side would be willing to turn operations completely over to the market and only pull energy off the grid at the direction of the ISO. Electrolyzer facilities, desalination plants, and hybrid technologies can play a valuable role in balancing supply and demand during peak solar conditions and provide secondary benefits to California in the form of hydrogen, clean water, or future energy output. Therefore, the ISO should work with individual stakeholders as needed in advance of ESDER phase three to scope out how these resources could participate in the wholesale energy market.

Thank you for the consideration of our comments.