

**Stakeholder Process: Participation of Non-Generator Resources**  
**in Ancillary Services Markets Initiative**

**Summary of Submitted Comments**

**Stakeholders submitted three rounds of written comments to the ISO on the following dates:**

- Round One, 09/15/09
- Round Two, 10/28/09
- Round Three, 12/08/09
- Round Four, 02/24/10
- Round Five, 03/12/10

**Stakeholder comments are posted at:** <http://www.caiso.com/2415/24157662689a0.html>

**Other stakeholder efforts include:**

- Conference Call, 09/08/09
- Conference Call, 10/21/09
- Conference Call, 12/01/09
- Conference Call, 02/17/10
- Conference Call, 03/15/10

Management Proposal	PG&E	SCE	DMM	Beacon	CESA	Management Response
Regulation energy management will be address in ancillary services market product review	Support  Regulation energy management is a new product	Support  Regulation energy management is a new product	Support  Disqualifying of regulation energy resources and uplift cost allocations should be reviewed further.	Oppose  ISO regulation energy management was consistent with designs FERC approved at other ISO/RTO. Given FERC rulings no need for additional delay.	Oppose  Without regulation energy management, limited energy storage resources are not able to bid comparable capacity in to the day-ahead market for regulation.	Regulation energy management was originally included in the draft final proposal; however, stakeholders highlighted the need for additional discussions regarding regulation energy management and the development of new products. The scope of this initiative was limited to modifications of existing ancillary services products. The development of new ancillary services products is within the scope of ancillary services market product review scheduled to begin in Q2'10.
Modifications to continuous energy requirements allow a deeper pool of resources to participate	Support	Support	No Comment	Conditional  The proposed modifications are necessary, but not sufficient to allow comparable participation by limited energy storage resources in ISO markets.	Conditional  The proposed modifications are necessary, but not sufficient to allow comparable participation by limited energy storage resources in ISO markets.	The proposed modifications to remove resource type restrictions from operating characteristics on technical requirements opens the ancillary services market to all technology types capable of meeting ISO requirements. The reduction in the following requirements allow a deeper pool of resources to participate in ISO ancillary markets consistent with FERC Order Nos. 719 & 890: <ul style="list-style-type: none"> <li>• Spinning continuous energy to 30 minutes from 2 hours;</li> <li>• Non-spinning continuous energy to 30 minutes from 2 hours;</li> <li>• Day-ahead regulation continuous energy to 60 minutes from 2 hours;</li> <li>• Real-time regulation continuous energy to 30 minutes from 2 hours;</li> <li>• Minimum rated capacity to 500kW from 1MW.</li> </ul>