**Ancillary Services Focus Group**

**Response to Stakeholder Comments**

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| **Six Cities** | |
| **Issue or Concern** | **CAISO Response** |
| Opposes form of the proposed attestation and attached Attestation Criteria   * The Attestation form and criteria reference a non-exclusive list of requirements. * The Attestation form and Criteria provide no definition of an acceptable timing sequence for “routine” testing or checking of equipment. * Some of the listed items relate to capabilities of a certified resource, while other items refer to capabilities of the resource’s Scheduling Coordinator. * Only one of the listed items provides a reference to a specific Operating Procedure.   Six Cities recommend the CAISO fashion  any attestation process that focuses on the resource attributes the CAISO checks in its testing  process, clearly identifies elements to be tested and metrics for passing or failing a test, clearly  defines expected test intervals based on good utility practice, and reasonably limits the attestation  required to the specific attributes or elements subject to the defined testing expectations. | The CAISO is reconsidering the use of its proposed attestation form. Based on expressed stakeholder issues and concerns, including those raised by Six Cities, the CAISO now plans to further define and clarify the scope of its ancillary services testing program in its Compliance Monitoring Business Practice Manual. This effort will increase transparency of the frequency and performance of ancillary services tests as well as clarify the CAISO’s expectations that all Ancillary Service Providers shall check, monitor and/or test their system and related equipment routinely to assure availability of the committed Ancillary Services. |
| The Ancillary Servies Focus Group process is not as organized as CAISO’s standard initiative process, and there have been delays in posting of stakeholder comments and recordings of the  meetings. Six Cities believes any attestation requirement should be included in a BPM and subject to the BPM change management process. | The CAISO will discuss initiating a BPM change management process at the next Ancillary Servies Focus Group meeting. |
| **PG&E** | |
| **Issue or Concern** | **CAISO Response** |
| Does not support the proposal to sign an Ancillary Services (AS) attestation in preference over testing of AS certified resources to prove AS performance capabilities.  PG&E believes that the existing CAISO Tariff, Operating Procedures, and Business Practice Manuals already clearly define a resource's responsibilities regarding AS and other CAISO products. Requiring an attestation adds no meaningful value and does not enhance compliance, reliability or accountability.  PG&E suggests an alternative under which the CAISO would provide Scheduling Coordinators (SCs) a reasonable specified timeframe to demonstrate AS performance in line with existing tariff guidelines. In cases where CAISO cannot conduct a test due to market conditions, the CAISO should allow SCs to schedule an AS test within the same timeframe.  Implementing the attestation requirement via CAISO Operating Procedures rather than through a more formal process involving Tariff or Business Practice Manual changes raises concerns. the CAISO’s proposed Attestation Criteria lack details on repercussions for not providing a signed attestation within the requested 90-day period or consequences for failure to comply after submission. The CAISO cannot adequately address these consequences through an Operating Procedure.  Notwithstanding these comments, PG&E recommends adding specific language to the "Attachment A: Attestation Criteria" to ensure that resources and their SCs can see real-time contingency dispatch signals from CAISO's automated dispatch system and that resources must be able to linearly adjust real power levels in response to CAISO's energy management system control, aligning with the resource's tested regulation ramp rate as stated in the CAISO Master File | The CAISO is reconsidering the use of its proposed attestation form. Based on expressed stakeholder issues and concerns, including those raised by PG&E, the CAISO now plans to further define and clarify the scope of its ancillary services testing program in its Compliance Monitoring Business Practice Manual. This effort will increase transparency of the frequency and performance of ancillary services tests as well as clarify the CAISO’s expectations that all Ancillary Service Providers shall check, monitor and/or test their system and related equipment routinely to assure availability of the committed Ancillary Services. The CAISO will consider PG&E’s alternative proposal in the context of Business Practice Manual Changes. These changes may include a process to encourage scheduling coordinators to schedule an ancillary Servies test in circumstances in which their resource(s) have not been subject to a compliance test or performance audit for an extended time. |
| **SCE** | |
| **Issue or Concern** | **CAISO Response** |
| Opposes CAISO’s proposal to require resource owners or scheduling Coordinators to submit attestations in addition to or in lieu of CAISO-administered ancillary services testing for the purposes of certifying a resource’s ability to perform.  Argues the CAISO cannot impose attestation requirements through Operating Procedures alone. The proposal could impose material obligations and should go through a formal stakeholder initiative with tariff amendments. | The purpose of the proposed attestation was not to reduce the number of compliance tests and performance audits of the CAISO conducts. The purpose was to develop a mechanism to document compliance with existing requirements that apply to Ancillary Services providers. The CAISO is reconsidering the use of its proposed attestation form. Based on expressed stakeholder issues and concerns, including those raised by SCE, the CAISO now plans to further define and clarify the scope of its ancillary services testing program in its Compliance Monitoring Business Practice Manual. This effort will increase transparency of the frequency and performance of ancillary services tests as well as clarify the CAISO’s expectations that all Ancillary Service Providers shall check, monitor and/or test their system and related equipment routinely to assure availability of the committed Ancillary Services. |
| SCE states CAISO is already complying with Tariff Section 8.10 through periodic testing. The proposal shifts the burden for testing to scheduling coordinator and resource owners without adding value or improving existing standards. The CAISO rather than market participants should perform testing. | The CAISO intends to continue to conduct Ancillary Services testing and performance audits under Tariff Sections 8.9 and 8.10. |
| The proposed attestation requirements process adds unnecessary complexity and inefficiency, especially when the resource owner is different from the scheduling coordinator.  Due to the onerous process of self-testing and coordination among multiple parties, SCE has concerns that the risks may outweigh the benefits of signing the attestations. | The CAISO is reconsidering the use of its proposed attestation form. Based on expressed stakeholder issues and concerns, including those raised by SCE, the CAISO now plans to further define and clarify the scope of its ancillary services testing program in its Compliance Monitoring Business Practice Manual. |
| The potential penalties and consequences for non-performance under the attestation regime have not been clearly detailed in the proposal. | The CAISO is reconsidering the use of its proposed attestation form. Based on expressed stakeholder issues and concerns, including those raised by SCE, the CAISO now plans to further define and clarify the scope of its ancillary services testing program in its Compliance Monitoring Business Practice Manual. |
| **SDG&E** | |
| **Issue or Concern** | **CAISO Response** |
| The addition of only an attestation without additional testing does not appear to solve the issue the CAISO is seeking to address - testing 100 percent of resources providing Ancillary Services within a reasonable timeframe.   |  | | --- | |  | | The CAISO is reconsidering the use of its proposed attestation form. Based on expressed stakeholder issues and concerns, including those raised by SDG&E, the CAISO now plans to further define and clarify the scope of its ancillary services testing program in its Compliance Monitoring Business Practice Manual. This effort will increase transparency of the frequency and performance of ancillary services tests as well as clarify the CAISO’s expectations that all Ancillary Service Providers shall check, monitor and/or test their system and related equipment routinely to assure availability of the committed Ancillary Services. |
| |  | | --- | | SDG&E requests that CAISO clearly outline the consequences of failing to submit the attestation in the next focus group. | | The CAISO is reconsidering the use of its proposed attestation form. |
| The CAISO should consider a broader policy review of AS testing frequency and performance thresholds | The CAISO invites SDG&E to submit this request into the CAISO’s annual policy initiatives roadmap process. |
| **Tenaska** | |
| **Issue or Concern** | **CAISO Response** |
| Currently, AS offers are made up of one pair or 1 mw and 1 price offering. My question is if this initiative would explore the possibility of adding more than one offering pair similar to how energy offer curves have up to 10 unique pairs of volume and price. | The current focus group discussion is not examining bidding rules for Ancillary Services but instead focused on enhancing performance validation for committed Ancillary Services. |