

COMMENTS OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION ON DRAFT 2007 RESOURCE ADEQUACY REPORT Docket R.08-01-025

Pursuant to the schedule discussed at the CPUC workshop held on March 24-25, 2008 and the e-mail distributed to the service list for 08-01-025 on March 26, 2008, the CAISO is submitting comments on the Energy Division's draft 2007 Resource Adequacy (RA) Report.

I. NOC for Wind Resources

The CAISO found the material contained within the 2007 RA Report to be very informative. The three basic methodologies provide a good spectrum from which to work to develop a fair representation of the NQC values for wind resources. The data provided in table 14 of the 2007 RA Report did an excellent job of displaying the wide range of results that can be seen from the three methodologies and the variations on those methodologies. The CAISO looks forward to discussing these options in more detail through subsequent workshops as proposed by the CPUC. In addition, the CAISO will continue to review NQC-related data for wind resources to better assess the different approaches described in the 2007 RA Report and explore variations of these three approaches to potentially balance the approaches' different aspects.

II. Path 26 Counting Constraint

The information contained in section 7.1 of the 2007 RA Report on the Path 26 Counting Constraint is helpful, but CAISO believes that some additional explanation is necessary to describe what the data is intended to show. For example, in the graph from

figure 17 of the 2007 RA Report, it is not clear what the comparison of actual net flows to the 3000MW level for Path 26 is intended to demonstrate? The 3000MW Path 26 North to South reference approximates the Path 26 RA Counting Constraint¹ for North-South, which was 3430MW, but the selection of the value and the import is not clear. CAISO believes it would be helpful for the readers to know that the Path 26 RA Counting Constraint confirmed by the CPUC in Decision D.07-06-029 was 3430MW North-South and what the CPUC staff concludes, if anything, from the data regarding the implementation of the Path 26 RA Counting Constraint.

III. Conclusion

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The CAISO is looking forward to working with CPUC staff and stakeholders to further discuss the topics to be addressed in the 2009 RA OIR.

Respectfully submitted,

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¹ As described in the CPUC decision referenced in the 2007 RA Report, D.07-06-029