

California Department of Water Resources State Water Project Comments On CAISO's Flexible Ramping Products Straw Proposal

November 15, 2011

On November 1, 2011, CAISO published a straw proposal for Flexible Ramping Products (FRP). The purpose of the FRP stakeholder process is to develop market-based flexible ramping products to address CAISO operational needs in the real-time market and to replace an interim solution called Flexible Ramping Constraint (FRC) that was filed with FERC on October 7, 2011. On November 7, 2011, the CAISO hosted a meeting and provided a presentation to review and discuss the FRP straw proposal. California Department of Water Resources State Water Project (SWP) appreciates CAISO's continued efforts to improve reliability and submits the following comments on the Flexible Ramping Products straw proposal.

Comments

1. The California Department of Water Resources State Water Project (SWP) urges CAISO to provide more analysis and design detail on Flexible Ramping Products (FRP) in the next version of the straw proposal and prior to the next stakeholder meeting. During the stakeholder meeting the CAISO indicated a desire to present the FRP final proposal to the Board of Governors in February 2012, this short time frame is further impetus for providing details as soon as possible.
2. Technology agnostic is one of the principles stated by the CAISO for Renewables Integration Market and Product Review (RIMPR), SWP would like this principle to be evident in the design of new market products.
3. Align cost allocation properly with cost causation principles. If the inclusion of more Variable Energy Resources (VERs) requires additional ramping capability to maintain reliability, cost allocation should consider this impact.