

Comments on CAISO's Draft 2017 Stakeholder Initiatives Catalog

October 5, 2016

On September 15, 2016, CAISO posted the Draft 2017 Stakeholder Initiatives Catalog. The CAISO requested stakeholders comment on the following:

1. Questions or clarifications regarding initiatives in the catalog;
2. A detailed description of any proposed new initiatives, including an explanation of how it would improve market efficiency and/or grid reliability, and when it needs to be addressed; and
3. A detailed explanation why the ISO should delete an initiative listed in catalog or why the ISO should not delete an initiative it proposes to be deleted.

California Department of Water Resources State Water Project (CDWR) appreciates the opportunity to submit comments.

Comments:

CDWR recommends CAISO not predispose the culmination of initiatives in Section 4, and keep such ongoing initiatives in Section 5. Two examples are 4.11 BCR Self Schedule Allocation and Bid Floor (D, E2) and 4.13 Load Serving Entity Definition Refinement (D).

CDWR believes the CAISO should add proposed initiatives 7.5 Storage Generation Plant Modeling (D) and 7.6 Aggregated Pumps and Pumped Storage (D) to Section 5. Early last year, CAISO's 5.10 Storage and Aggregated DER - Phase 2 (I, D, E2) initiative had proposed to review opportunities for Participating Load to participate more fully in CAISO's markets, yet in March 2016 CAISO determined that their NGR model could not accommodate the discrete levels of CDWR's pump load, nor balance the potential timing difference between pump mode and generation mode as it does for such storage resources as batteries. Due to this change and long standing delay to enhance Participating Load's functionality in the CAISO's markets, CDWR respectfully requests that CAISO assign the same priority given under ESDER Ph2, place these initiatives in Section 5, and commit to substantially working on these issues in 2017.

CDWR suggests that CAISO put proposed initiative 9.1 Real-Time Market Enhancements (D) into Section 5 because according to the 2016 Stakeholder Initiative Catalog, CAISO planned to start this initiative in June 2016, but it was delayed.

Proposed initiative 12.7 Negative Impact of the Counter-Flow CRR Design was initiated by CDWR as directed by the CAISO CRR Team because the current counter-flow CRR design negatively impacts CDWR. Similarly, PG&E's proposed initiative 12.9 CRR

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Revenue Inadequacy (D) effects market participants whose load pays the large shortages in the CRR Balancing Account. Additionally, the CAISO's Market Surveillance Committee acknowledged this issue and provided numerous alternatives to fix the problem. Therefore, these proposed initiatives should also be added to Section 5 and addressed in 2017.