Stakeholder Comments Template

Submitted by	Company	Date Submitted
Please fill in the name, e-mail address and contact number of a specific person who can respond to any questions about these comments. Mohan Niroula Mohan.niroula@water.ca.gov 916-574-0712	Please fill in here California Department of Water Resources (CDWR)	Please fill in here 12/13/2017

Please use this template to provide your comments on the FRACMOO Phase 2 stakeholder initiative Draft Framework Proposal posted on May 1, 2017.

Submit comments to InitiativeComments@CAISO.com

Comments are due December 13, 2017 by 5:00pm

The Draft Framework Proposal posted on November 20, 2017 and the presentation discussed during the November 29, 2017 stakeholder web conference may be found on the FRACMOO webpage.

Please provide your comments on the Draft Framework Proposal topics listed below and any additional comments you wish to provide using this template.

Identification of ramping and uncertainty needs

The ISO has identified two drivers of flexible capacity needs: General Ramping needs and uncertainty. The ISO also demonstrated how these drivers related to operational needs.

Comments:

Identifying separate drivers for flexible capacity needs appears to be a reasonable approach. Additional effort will need to be made to ensure appropriate estimates of the flexible capacity need associated with each driver, as well as the total flexibility capacity need.

Quantification of the flexible capacity needs

The ISO has provided data regarding observed levels of uncertainty, in addition to previous discussion of net load ramps.

Comments:

It is unclear to CDWR whether the uncertainty need would be most appropriately determined as an additional need beyond what is estimated based on the largest 3-hour net load ramp, or rather, whether the uncertainty need is contained within the estimate based on the 3-hour net load ramp.

Eligibility criteria and must offer obligations

The ISO has outlined the need for three different flexible RA products: Day-ahead load shaping, a 15-minute product, and a 5-minute product. Additionally, the ISO has identified a preliminary list of resources characteristics and attributes that could be considered for resource eligibility to provide each product. Additionally, the ISO is considering new counting rules for VERs that are willing to bid into the ISO markets.

Comments:

The proposed day ahead shaping product should use the existing criteria for the current flexible capacity products because the day ahead shaping product and the flexible capacity products are essentially the same. New requirements would then be needed only for the 5-minute and 15-minute products.

Equitable allocation of flexible capacity needs

Equitable allocation of flexible capacity needs is a critical element of a new flexible RA framework. The ISO seeks comments on potential allocation methodologies.

Comments:

The existing allocation methodology should continue for the day ahead shaping product, which is the same as today's flexible capacity products.

A reasonable default approach for allocating the new 5-minute and 15-minute products would also be the same allocation methodology as the existing methodology for the exiting flexible capacity products. Specifically, the allocation of uncertainty needs can be based on the distribution factors used to allocate existing flexible capacity needs (load, wind and solar).

Other

Please provide and comments not addressed above, including any comments on process or scope of the FRACMOO2 initiative, here.

Comments:

The removal of self-scheduled generation from the calculation of net load is a positive step that CDWR supports. CDWR notes that CDWR often is required to self-schedule its generation but is still able to do so in a way that minimizes the system need for flexible capacity. CDWR tries to schedule its operations to draw power during oversupply periods and realize lower prices, thus it avoids contributing to the need for ramping. Accordingly, the existing net load calculation is more appropriate.