

## Stakeholder Comments Template

Submitted by	Company	Date Submitted
<p>Please fill in the name, e-mail address and contact number of a specific person who can respond to any questions about these comments.</p> <p>Mohan Niroula</p> <p><a href="mailto:Mohan.niroula@water.ca.gov">Mohan.niroula@water.ca.gov</a></p> <p>9165740712</p>	<p>Please fill in here</p> <p>California Department of Water Resources (CDWR)</p>	<p>Please fill in here</p> <p>5/22/2017</p>

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

Submit comments to [InitiativeComments@CAISO.com](mailto:InitiativeComments@CAISO.com)

**Comments are due May 22, 2017 by 5:00pm**

The Revised Straw Proposal posted on May 1 and the presentation discussed during the May 8 stakeholder web conference may be found on the [FRACMOO](#) webpage.

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

### **Proposal to modify eligibility criteria**

1. Start-up time less than 4.5 hours

**Comments:**

[No comments at this time.](#)

2. Minimum run-time less than 4.5 hours

**Comments:**

[No comments at this time.](#)

3. Category 3 flexible capacity resources must be available seven day per week

**Comments:**

[No comments at this time.](#)

**Future considerations**

The ISO identified the following six objectives for long-term RA enhancements:

- 1) Provide for the efficient retention and retirement of resources needed to maintain reliable grid operations by aligning resource adequacy requirements with operational needs;
- 2) Simplify RA procurement and showing processes through alignment with system and local capacity provisions;
- 3) Enhance requirements to more closely differentiate particular resource attributes of flexible capacity needed to maintain operational reliability and achieve state policies;
- 4) Align long-term planning and annual RA processes to ensure the long-term planning objectives and assumptions are properly reflected through RA procurement and vice versa;
- 5) Provide opportunities for internal and external resources to qualify to supply flexible capacity if they are able meet the specified requirements; and
- 6) Solutions should be scalable regardless of number of LSEs or size of LSEs

Please provide comments, as appropriate, on these objectives.

**Comments:**

[No comments at this time.](#)

Should additional objectives be added?

**Comments:**

[CDWR believes that allocation of negative contribution should be added to the list of objectives for long-term RA enhancements. Please see the comments in the “Other” section below.](#)

**Other**

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

**Comments:****Allocation of Negative contribution:**

The revised straw proposal excludes consideration of crediting an LSE where the load ramp of that LSE is beneficial and helps mitigate the CAISO three hour net load ramps. This concept was included in the “Flexible Resource Adequacy Criteria and Must Offer Obligation – Phase 2 Straw Proposal” dated December 11, 2015 and the “Flexible Resource Adequacy Criteria and Must Offer Obligation – Phase 2 Supplemental Issue Paper: Expanding the Scope of the Initiative” dated November 8, 2016. CDWR believes that beneficial operations by an LSE that reduce the three hour net load ramp are as effective as flexible capacity resources and that such beneficial operations should be encouraged and incentivized. CDWR believes the concept of providing each LSE with its actual contribution, even if that LSE’s contribution is negative ramps, and then allowing LSEs with negative ramps the ability to count those negative ramps in lieu of positive ramps contributions of other LSE’s could be an effective way to encourage operation behavior that would be beneficial to the Grid reliability. CDWR respectfully requests that CAISO retain this important concept in its revised straw proposal.