

**Stakeholder Comments Template**  
**Subject: Standard Capacity Product**  
**Comments due Friday 11/21/08**

The CAISO is requesting written comments on the *Standard Capacity Product Straw Proposal* that was discussed at the November 18, 2008 stakeholder meeting. Comments should be submitted to [scpm@caiso.com](mailto:scpm@caiso.com).

Submitted by	Company	Date Submitted
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**Transition Period.**

The CAISO requested comments on the implementation of a Standard Capacity Product (SCP.) CERS would like to provide the following comment regarding a transition period.

DWR entered into a number of long-term power contracts (including LD contracts for energy) that were signed on behalf of the State during the energy crisis. The term of most of these contracts will expire in the next few years. The CPUC has grandfathered these legacy contracts (including the LD contracts) and they count as RA capacity until the end of their terms. California customers pay for the capacity of the resources that supply energy from these contracts. CERS strongly believes that the capacity of these contracts should count as SCP for the purpose of Resource Adequacy. If the State contracts are not counted as RA, the IOUs will be forced to spend additional ratepayer money to acquire capacity that is already being paid for. CERS recommends a transition period through the end of 2012. During the transition period, the capacity from all State (DWR) contracts should count as SCP.