

From: Ken Sims [KSims@santaclaraca.gov]  
Sent: Wednesday, February 10, 2010 8:37 AM  
To: Kohtz, Ken; Hinman, Cynthia; Standard Capacity Product Mailbox  
Cc: Zimmer, Tony; Scanlon, Peter; Gast, Lisa; Delaney, Tom  
Subject: RE: SCP Phase 2 - Straw Proposal Comment Date

All,

I understand I am a bit late to review SCP II but below are some thoughts I had after review:

CAISO OP PROCEDURE G-204 Version 1.2 Effective 1/1/2010

Pg 12 #24 The original unit must be on a Forced Outage or ADDT in order for a unit substitution to occur except for units between 1 & 10 MW and non-resource-specific RA Resources for which this validation cannot be done.

Seems indicative the forced outage is the qualifier for replacement.

Straw Proposal Jan 19, 2010 SCP II

Section 2 Pg 5 bullet points

\* The Proposal indicates a replacement is needed for forced outages which seems indicative of no need on a planned outage.

\* The availability standard is measured monthly against a target based on the historic performance of the RA resource.

Pg 6 The CPUC's replacement rule requires RA capacity "in months where some of its RA capacity is significantly affected by a planned outage" Significant is not defined and would allow CAISO discretion and stakeholders at their mercy or potential discrimination. Elsewhere the Procedure states "if its elimination does not adversely impact reliability in the ISO balancing authority area."

Suggestion: If the CAISO is allowed to enforce RA replacement during planned outages the term "significant" could be defined to only be enforced if operating reserves fall below 5-7% after all available units are dispatched, i.e. system emergency.

4.3 The potential to reschedule the planned outage might be an acceptable alternative to replacement of penalty if the CAISO were only allowed to ask for unit substitution. In other no penalties if the entity has already deferred the planned outage once.

Ken