Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your written comments on the ESDER Phase 3 stakeholder initiative workshop, held on November 6, 2017.

Submit comments to initiative comments@CAISO.com

Comments are due November 20, 2017 by 5:00pm Pacific

The CAISO held a stakeholder workshop to find consensus on the issues and identify additional topics for ESDER 3. The presentation and all supporting documents can be found on the <u>ESDER3</u> webpage. Additionally, the CAISO is considering a December 7, 2017 workshop, if needed. Please save the date and look out for all relevant market notices.

Important: As mentioned at the November 6, 2017 workshop, the CAISO requests that stakeholders take into consideration their top priority for ESDER 3 when writing in support for a topic.

1. Demand Response

The CAISO requests stakeholders' rank and provide their justification for the following topics:

• **Demand response modeling limitations** - Establish a methodology that could be used to develop acceptable commitment costs.

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 Demand response modeling limitations - Evaluate current resource constraint options and propose solutions utilizing current or establishing new model options (including min/max run time) to appropriately represent resource capabilities and resolve issue leading to infeasible 5-minute dispatches when committed in RUC.

CLECA believes this one of the top 3 priorities. It is necessarily to allow existing resources to be effectively bid into the CAISO markets and the issue must also be resolved for new DR resources.

• **Demand response modeling limitations** - Explore development of an option similar to Intertie bidding, introduced at the October 4 Joint ISO and CPUC workshop

CLECA believes that this should be addressed in this ESDER stakeholder process at a priority 4, because it will allow better participation by PDR in the day-ahead market, taking into account more realistically real-time notification requirements and facilitating avoidance of dispatch for very short intervals.

Weather sensitive demand response - Explore bidding/model options (similar to VERS)
that could be utilized to reflect weather sensitive DR. Include changes needed in NQC
valuation, MOO and RAAIM.

CLECA believes that this is one of the top 3 priorities and that it should be pursued now because it is also being taken up in the CPUC resource adequacy proceeding. It will also provide some additional impetus to address lower cost telemetry options.

• Removing the single LSE requirement/ DLA discussion - Remove the requirement of a single LSE for DR and modify use of default load adjustment (DLA)

CLECA believes that this is one of the top 3 priorities. Given the status of load migration, the single LSE requirement is currently problematic and will continue to take and keep resources out of the CAISO market. CLECA is awaiting CAISO information on the frequency of DLA settlement and the dollars involved before providing input on elimination of the DLA.

- RDRR economic buy-back of day-ahead awards for Hybrid RDRRs ISO prefers to pursue capabilities available with PDR outside of ESDER3.
- Recognition of a behind the meter resource in load curtailment Extend the meter generator output (MGO) model to EVSEs and evaluate it applicability to other devices.
- Load shift product Develop a load shift capability for behind the meter storage. (Currently an ESDER3 priority)

See CLECA comments on next topic.

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 Load shift product - Evaluate all applicable load for extension of the use of a load shift product.

CLECA agrees with stakeholders at the workshop who stated that the load shift product should be available for more than just storage resources. Giving the complexity of this possible product, we also agree that it will be a complex undertaking that will require a great deal of stakeholder input. We would put this at priority 5.

 Additional topics - Outside of the topics listed above, please include additional topics for consideration.

Comments:

[Insert comments here]

- 2. Multiple-Use Applications
- Relaxation of the 24x7 settlement requirement of DERs Create option for NGRs to opt out of ISO market participation and settlement in some intervals in order to provide services to other entities.
- **Continued discussion on use-cases for MUA** Determining participation models for new technologies such as micro-grids through use-case scenarios.
- Additional topics Outside of the topics listed above, please include additional topics for consideration.

Comments:

[Insert comments here]

- 3. Non-Generator Resource
- **Use-limitation status for NGRs** Explore option to allow NGRs to qualify as a use-limited resource.

CLECA does not understand why this issue as it related to DR was addressed in CCE 3 but may be addressed for storage in ESDER. The issues are not substantially different. Furthermore, in CCE 3 we were told that contractual limitations are not a justification for ULR status.

 Establishing throughput limitations - Create bidding options to manage excessive cycling of NGRs.

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• Management of State of Charge (SOC) - Considering options for the management of SOC such as a multi-stacked ancillary service bid.

• **Additional topics** - Outside of the topics listed above, please include additional topics for consideration.

Comments:

[Insert comments here]

4. Other comments

Please provide any additional comments not associated with the topics above.

Comments:

[Insert comments here]

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