

**PG&E’s Comments on Standard Capacity Product Phase II Draft Tariff Language**

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Pacific Gas & Electric Company (PG&E) appreciates the opportunity to comment on the Standard Capacity Product(SCP) Phase IIDraft Tariff Language.

***COMMENTS***

**Non-Ambient Derates**

CAISO Proposed Tariff Language

**Section 40.9.4.2:**

1. *(…) A Resource Adequacy Resource will be determined to be less than one hundred percent (100%) available in a given month if it has any Forced Outages,* ***~~non-ambient de-rates~~,*** *or temperature-related ambient de-rates**that impact the availability of its designated Resource Adequacy Capacity during the Availability Assessment Hours of that month.*

Comments

The term “non-ambient de-rates” should be deleted from the tariff language. Per the CAISO’s Revised Final Draft Proposal:[[1]](#footnote-1)

The phrase "*Forced Outages, non-ambient derates, or temperature-related ambient derates"* suggests that there are three different states that could affect the availability of a resource instead of two. The ISO proposes to correct the language (Section 40.9.4.2) to read "*Forced Outages or temperature-related ambient derates”.*

**Availability Calculation for Intermittent Resources and Qualified Facilities**

CAISO Proposed Tariff Language

**Section 40.9.4.2:**

*2. For Resource Adequacy Resources whose Qualifying Capacity value is determined by historical output, its hourly available Resource Adequacy Capacity for Each Availability Assessment hour will be determined from three components: the total actual amount of Energy the resource delivered during that hour; the Resource Adequacy Capacity of the resource as designated in its Supply Plan; and the resource’s Net Qualifying Capacity as reduced for that hour by the same percentage by which any Forced Outages or temperature-related ambient de-rates reduced the resource’s capacity from its PMax capacity.. If the total actual amount of Energy delivered by the resource in an Availability Assessment hour is greater than or equal to the amount of Resource Adequacy Capacity designated in the Supply Plan, the hourly available Resource Adequacy Capacity for the hour will equal the resource’s Resource Adequacy Capacity as designated in its Supply Plan. If the total actual amount of Energy delivered by the resource in an Availability Assessment hour is less than the amount of Resource Adequacy Capacity designated in the Supply Plan, the hourly available Resource Adequacy Capacity of the resource for that hour will be the higher of the total actual Energy the resource delivered in that hour or the resource’s Net Qualifying Capacity as reduced for that hour by the same percentage by which any Forced Outages or temperature-related ambient de-rates reduced the resource’s capacity from its PMax capacity* ***[Insert Formula Here]*** *(…).*

Comments

PG&E strongly recommends that the CAISO include the formula below after the narrative describing the availability calculation. The narrative is complicated and confusing in words. In fact, counterparties with whom PG&E is dealing have expressed concerns about the complex and confusing calculation language. Expressing the calculation in a formula will reduce the confusion. We also note that the CAISO has included formulas in other tariff sections (e.g., 40.9.6.1.[[2]](#footnote-2)) to increase the understandability. The same should be done here.

PG&E recommends that the CAISO insert the following formula:

Hourly Available Resource Adequacy Capacity = Min (RA Capacity, Max (Actual Energy, Proportional Derated Capacity))

Where:

RA Capacity = Resource Adequacy Capacity designated in the Supply Plan

Actual Energy = Total actual Energy delivered by the resource in the Availability hour

Proportional Derated Capacity = Resource’s Net Qualifying Capacity as reduced for that hour by the same percentage by which any Forced Outages or temperature-related ambient de-rates reduced the resource’s capacity from its PMax capacity

1. Revised Draft Final Proposal Standard Capacity Product II (dated April 6). <http://www.caiso.com/2771/27717a905e6a0.pdf> [↑](#footnote-ref-1)
2. Section 40.9.6.1 provides the formula that calculates the RA resource’s capacity that will be subject to SCP availability awards and penalties. [↑](#footnote-ref-2)