

# Comments on Resource Adequacy Modeling and Program Design, Track 3A: Resource Visibility Draft Final Proposal

Department of Market Monitoring

September 16, 2025

## Comments

The Department of Market Monitoring (DMM) appreciates the opportunity to comment on the *Resource Adequacy Modeling and Program Design, Track 3A: Resource Visibility Draft Final Proposal* dated August 27.<sup>1</sup> DMM continues to support the Resource Adequacy Modeling and Program Design (RAMPD) Track 3A that proposes to increase the ability of the ISO to identify resources that may be procured to meet system, local, or flexible resource adequacy (RA) reliability needs.<sup>2</sup>

The ISO has tariff authority to procure backstop capacity using the capacity procurement mechanism (CPM) by way of the competitive solicitation process (CSP). However, if the CSP does not have any available capacity, the ISO can procure backstop capacity bilaterally. Track 3A introduces valuable informational enhancements that may improve visibility, and facilitate efficient and expeditious bilateral procurement by the ISO.

DMM notes the ISO has not recently had any deficiency for generic or local resource adequacy capacity. However, maintaining reliability is a key function of the ISO, and the CPM is a key tool for ensuring reliability in the case of capacity shortfalls.<sup>3</sup> DMM further supports this effort in conjunction with RAMPD Track 1, which will increase the ISO's analytical capability to determine reliability needs.<sup>4</sup> The added understanding of system reliability from Track 1 will include additional reliability considerations, such as energy sufficiency of storage resources, which can then be incorporated into the CPM as necessary.

In addition to reliability improvements, the increased visibility under Track 3A can improve policy and modeling for the CAISO system. Additional visibility into RA resources internal to the CAISO balancing authority area would improve a system-wide understanding of recent trends in the CPM and CSP, and

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<sup>1</sup> *Resource Adequacy Modeling and Program Design Track 3A: Resource Visibility Draft Final Proposal*, California ISO, August 27, 2025: <https://stakeholdercenter.caiso.com/InitiativeDocuments/Track-3A-Draft-Final-Proposal-Resource-Adequacy-Modeling-and-Program-Design-Aug-27-2025.pdf>

<sup>2</sup> *Comments on Resource Adequacy and Program Design Track 3A: Resource Visibility Straw Proposal*, Department of Market Monitoring, June 17, 2025: <https://www.caiso.com/documents/dmm-comments-on-resource-adequacy-modeling-and-program-design-track-3a-resource-visibility-straw-proposal-jun-17-2025.pdf>

<sup>3</sup> *2024 Annual Report on Market Issues and Performance*, Department of Market Monitoring, August 7, 2025, pp 316-317: <https://www.caiso.com/documents/2024-annual-report-on-market-issues-and-performance-aug-07-2025.pdf>

<sup>4</sup> *Resource Adequacy Modeling, Default Rules, and Ambient Derates (Track 1) Straw Proposal*, California ISO, June 6, 2025: <https://stakeholdercenter.caiso.com/InitiativeDocuments/Track1StrawProposal-ResourceAdequacyModelingandProgramDesign-June62025.pdf>

potential improvements to the CPM.<sup>5</sup> This will assist in RAMPD Track 3B, and further improvements, as technologies and policies evolve.<sup>6</sup> Further, a better understanding of resource availability would improve the ability of the ISO to model system reliability.<sup>7</sup>

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<sup>5</sup> *Resource Adequacy Modeling and Program Design Track 3A: Resource Visibility Straw Proposal Meeting*, California ISO, May 27, 2025: <https://stakeholdercenter.aiso.com/InitiativeDocuments/Presentation%20-%20Resource%20Adequacy%20Modeling%20and%20Program%20Design%20-%20May%2027%202025.pdf>

<sup>6</sup> Track 3B will focus on structural review and potential reform of the backstop programs.

<sup>7</sup> E.g., *2025 Summer Loads and Resources Assessment*, California ISO, May 5, 2025: <https://www.aiso.com/documents/2025-summer-loads-and-resources-assessment.pdf>