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Dynegy's comments on the FRACMOO Working Group presentation:

- The assignment to LRAs
  - Dynegy has been consistently advocating for direct assignment to LSEs based on their net impact on the ramp.
- The new MOO
  - Is this really needed? CAISO should reexamine its market rules for incentives not to offer flexibility & address them via a stakeholder process.
  - Tiered system seems overly complex
    - The no use limitations for tier 1 seems unrealistic: All resources have limitations on operations
    - CAISO should consider a dynamic requirement & allow any available resource that meets the current definition of flexibility (3 hour ramp / sustain output); use-limited resources that are exhausted during the month have no replacement obligation or penalty.
- Pricing
  - A market mechanism with scarcity pricing to incent participation & performance is preferred over a mitigated must-offer & after-the-fact penalty.
  - CPUC RA pricing data is stale even before it's published
  - Flexible Ramping Constraint only looks at Ramping Up; FlexiRamp Product will be able to see both, but prices may be inadequate.
  - Reliability Services Auction clearing prices are likely to be low due to limited backstop procurement & may not reflect actual system or market conditions.