Presentation Outline

I. Background

II. Overview of Existing Process

- a. Load Serving Entity perspective
 - i. Traditional RA Requirements
 - ii. Replacement Requirement
 - 1. Base RA Fleet
 - 2. Outage Data
 - 3. LSE-Specific curtailment values
 - 4. Evaluate Specified Replacements
 - 5. Replacement Requirement Determination
 - a. Determine total system operationally available capacity
 - b. Determine LSE operationally available capacity
 - c. Replacement Decision Logic
 - iii. LSE Timeline

b. Supplier perspective

- i. Firm vs. Non-Firm
- ii. Supplier Responsibilities
- iii. Providing Replacement Capacity
- iv. Supplier Timeline
- c. Overlap of responsibilities and Timelines
- d. Committed Capacity

III. Issues

- a. Process Complexity
 - i. Overlapping cure periods for traditional LSE RA requirements and LSE replacement requirements
 - ii. Overlapping cure periods for LSE requirements and supplier replacement requirements
 - iii. Tracking of outage replacement responsibility across multiple functional entities
 - iv. Multiple LSE replacement responsibility for a single outage
- b. ISO dual processes and associated incentives
- c. Contract Complexity
- d. Inefficient RA commitment and procurement
 - i. Use of load forecasts in both planning and operating horizons
 - ii. Overlapping cure periods
 - iii. Immobile RA commitment established in the planning horizon
 - iv. Timing of outage assessment
- e. Risks related to cancelling or moving planned outages
 - i. ISO asks suppliers to move planned outages after T-45
 - ii. Suppliers cancel or moved planned outages

- f. Unnecessary standard capacity product incentive mechanism risk
 - i. Local area capacity commitment
 - ii. Suppliers cancel or move planned outages
- g. Outage information sharing
 - i. ISO shares information to aid in cure process