

Stakeholder Comments Template

Flexible Resource Adequacy Criteria and Must Offer Obligation - Phase 2 Straw Proposal

Submitted by	Company	Date Submitted
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This template has been created for submission of stakeholder comments on the straw proposal for the Flexible Resource Adequacy Criteria and Must Offer Obligation - Phase 2 that was posted on December 11, 2015. The straw proposal and other information related to this initiative may be found at: <http://www.caiso.com/informed/Pages/StakeholderProcesses/FlexibleResourceAdequacyCriteria-MustOfferObligations.aspx>.

Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on **January 6, 2016**.

If you are interested in providing written comments, please organize your comments into one or more of the categories listed below.

1. Provision of flexible capacity by import or export resources,

NCPA does not object to the concept of flexible capacity being supplied by import or export resources; provided, however, that sufficient protections are established to ensure that the resources providing flexible capacity are required to meet EFC and availability standards that are comparable to the standards applied to internal resources.

2. Flexible capacity from pumped-storage hydro model

No comment at this time.

3. Merchant Variable Energy Resources

No comment at this time.

4. Allocating negative contributions to flexible capacity requirements

NCPA does not support this element of the proposal at this time. The original methodology developed to calculate and allocate flexible capacity requirements was not designed with this concept in mind, and NCPA believes that creating a new “negative contribution product” that could be sold between LSEs adds yet another level of complexity to an already complicated process. Pending demonstration of the benefits such option would create for the market, NCPA is reluctant to support this concept.

5. Resource adequacy showing requirements for small LSEs

NCPA supports this element of the proposal.

6. Other.

NCPA supports CAISO's decision not to pursue the creation of an explicit downward ramping product as discussed in the working group sessions. As further discussed in NCPA's August 6, 2015 comments that were submitted to the CAISO in response to the July 22, 2015 Working Group Meeting presentation, NCPA continues to support use of market design enhancements to address over-generation conditions.