Stakeholder Comments Template

Submitted by	Company	Date Submitted
Mike Whitney mike.whitney@ncpa.com	Northern California Power Agency	2/22/2019
916-781-42015		

Please use this template to provide your written comments on the stakeholder initiative "RMR and CPM Enhancements."

Submit comments to initiativecomments@caiso.com

Comments are due February 22, 2019 by 5:00pm

The January 23, 2019 draft final proposal and the presentation discussed during the January 30, 2019 stakeholder conference call can be found on the following webpage:

http://www.caiso.com/informed/Pages/StakeholderProcesses/Review_ReliabilityMust-Run_CapacityProcurementMechanism.aspx.

Please use this template to provide your written comments on the items listed below and any additional comments that you wish to provide.

1. Comments on January 23, 2019 draft final proposal.

RMR and CPM

a. Provide notice to stakeholders of resource retirements

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA has no comments at this time.

b. Clarify use of RMR versus CPM procurement

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA has no comments at this time.

c. Explore whether Risk of Retirement CPM and RMR procurement can be merged into one mechanism

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA has no comments at this time.

RMR

d. Develop an interim pro forma RMR agreement

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA has no comments at this time.

e. Consider making RMR resources subject to a must offer obligation

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA has no comments at this time.

f. Consider making RMR resources subject to the Resource Adequacy Availability Incentive Mechanism

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA has no comments at this time.

g. Consider whether RMR Condition 1 and 2 options are needed

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA has no comments at this time.

h. Update rate of return for RMR compensation

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA has no comments at this time.

i. Align pro forma RMR agreement with RMR tariff authority that provides ability to designate for system and flexible needs

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA has no comments at this time.

j. Allocate flexible Resource Adequacy credits from RMR designations

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA has no comments at this time.

k. Streamline and automate RMR settlement process

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA has no comments at this time.

I. Lower banking costs associated with RMR invoicing

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA has no comments at this time.

CPM

m. Change CPM pricing formula for resources that file at the Federal Energy Commission for a CPM price above the soft-offer cap price because the current methodology provides for full cost of service cost recovery plus retention of all market revenues

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA is concerned that enabling a resource to retain market revenues, while also recovering going forward fixed costs ("GFFC") plus a 20% adder, may result in excessive

revenues. As discussed in the draft final proposal, if the CAISO elects to file alternative proposals at FERC, NCPA believes CAISO should identify its alternative proposal (i.e., GFFC with no adder, and retention of market revenues) as its primary proposal.

n. Evaluate if load serving entities have been using CPM for their primary capacity procurement

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA has no comments at this time.

o. Clarify deadline for ISO to post CPM designation report

Please indicate whether you support the draft final proposal and why. If you oppose the draft final proposal, please state so and indicate the reason(s) for your opposition.

Comments: NCPA has no comments at this time.

2. Other Comments

Please provide any additional comments not associated with the items listed above.

Comments: NCPA has no comments at this time.