

## Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your written comments on the stakeholder initiative  
“Temporary Shutdown of Resource Operations.”

Submit comments to [InitiativeComments@CAISO.com](mailto:InitiativeComments@CAISO.com)

**Comments are due October 3, 2017 by 5:00pm**

The Draft Final Proposal posted on September 6, 2017 and the presentations discussed during the September 13, 2017 stakeholder conference call can be found on the [TSRO Website](#).

Please use this template to provide your written comments on the Draft Final Proposal and any additional comments that you wish to provide.

**1. Please indicate whether you support the Draft Final Proposal.**

**Comments:**

NRG does not support the Draft Final Proposal.

NRG appreciates that the CAISO modified the Draft Final Proposal to not require (1) the resource to return to operation in exactly the same condition it was in prior to the Temporary Shutdown of Resource Operations (TSRO); (2) the unit to maintain a state of readiness to return to operations in a short period without compensation; and (3) a resource that is in the TSRO state to respond to Exceptional Dispatch (ExD) instructions. Other provisions added to the Draft Final Proposal, however, make that proposal of little value.

The Draft Final Proposal’s adoption of provisions that would only allow a resource to request a TSRO for a single month of a time in the months May through October is highly problematic.

Coupled with the requirement that the resource owner must seek a TSRO 60 days in advance, but the CAISO will not notify the generator owner whether the TSRO has been granted or not until a mere eight (8) days before the requested shut-down date, this provision means that a generator owner that wanted to temporarily shut down its unit effective May 1 would have to request that shutdown on March 1. Under the CAISO's proposed rules, by April 1 it would have to renew its request to remain shut down effective on June 1 but would not even know whether the CAISO had granted the original request to shut down until April 22. In addition to the mismatch between the timing of the request for TSRO and the CAISO's obligation to respond to that request, the new provisions also mean the resource would have to maintain through the summer RA months – plus a new fall RA month - an ability to return to service within 30 days without any compensation for the costs required to maintain that state of ready return. This effectively gives the CAISO yet another free option with regards to the future availability of capacity.

In addition, the CAISO's proposal that a resource cannot seek a TSRO for a period any longer than four months is another example of the CAISO retaining a free option with regards to the future availability of capacity. NRG does not object to limiting the time a generator can seek to shut down operations without declaring retirement – or seeking a status that does not yet exist, but should, namely, mothball status. The proposed one-month and four-month limitations on temporary shutdowns are unreasonably short. These provisions provide the CAISO with free options as to the availability of future capacity that, by virtue of the fact that the capacity has not been put under RA contract, has effectively been declared to be not needed for reliability. The future availability of capacity cannot be assured without some payment to cover the cost of maintaining that availability. Generating resources without an RA contract should be free to remain in operation if they wish to remain in operation, or to shut down for a period of time no less than a year in length and be freed from having to respond to any CAISO exceptional dispatch instructions except on a voluntary basis. Any effort to preserve capacity in a third state in which the resource *might* be needed at some future time, but does not compensate the unit owner for maintaining that state of availability, is patently unreasonable and must be rejected.

2. Please provide any additional comments.

**Comments:**

NRG appreciates that the CAISO followed through on its commitment to conduct this stakeholder process. The final proposed product, however, is not an improvement on the status quo, and continues to put implicit restrictions and free options on the use of non-RA capacity.