

### **Olivine Comments on Reliability Services Initiatives after December 10 Call**

<b>Submitted By</b>	<b>Company</b>	<b>Date</b>
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Olivine appreciates the opportunity to submit this brief comment on the Reliability Services Initiative call on December 10, 2014.

Olivine urges the CAISO to consider other options for PDR participation in RUC or the RUC process since the current proposal would almost guarantee advisory notifications for “short start” PDRs due to the lack of commitment cost elements. While it is likely that these RUC award notices in the Day Ahead would never become binding once the STUC and RTD processes are run with the full optimization including energy prices, they would be meaningless and likely ignored.

Since RA resources are given a \$0.00 RUC availability bid, it would seem that a market based proxy commitment cost could be assigned to PDRs that could afford a more equitable treatment in the RUC commitment and provide the CAISO with more confidence that the resource mix committed in RUC better represents the eventual outcome of STUC.