Submitted by	Company	Date Submitted
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Stakeholder Comments Template

Please use this template to provide your comments on the FRACMOO Phase 2 stakeholder initiative Draft Framework Proposal posted on May 1, 2017.

Submit comments to InitiativeComments@CAISO.com

The Draft Framework Proposal posted on November 20, 2017 and the presentation discussed during the November 29, 2017 stakeholder web conference may be found on the <u>FRACMOO</u> webpage.

Please provide your comments on the Draft Framework Proposal topics listed below and any additional comments you wish to provide using this template.

Identification of ramping and uncertainty needs

The ISO has identified two drivers of flexible capacity needs: General Ramping needs and uncertainty. The ISO also demonstrated how these drivers related to operational needs.

Comments: PCWA generally supports this effort.

Quantification of the flexible capacity needs

The ISO has provided data regarding observed levels of uncertainty, in addition to previous discussion of net load ramps.

Comments: PCWA has no specific comment at this time.

Eligibility criteria and must offer obligations

The ISO has outlined the need for three different flexible RA products: Day-ahead load shaping, a 15-minute product, and a 5-minute product. Additionally, the ISO has identified a preliminary list of resources characteristics and attributes that could be considered for resource eligibility to provide each product. Additionally, the ISO is considering new counting rules for VERs that are willing to bid into the ISO markets.

Comments: PCWA generally supports this effort.

Equitable allocation of flexible capacity needs

Equitable allocation of flexible capacity needs is a critical element of a new flexible RA framework. The ISO seeks comments on potential allocation methodologies.

Comments: PCWA has no specific comment at this time.

<u>Other</u>

Please provide and comments not addressed above, including any comments on process or scope of the FRACMOO2 initiative, here.

Comments: PCWA believes that the latest FRAC-MOO Phase 2 proposal still does not adequately clarify what the intention of the Flex RA product is. While the "framework" provided by CAISO summarizes needs and potential requirements, it is not a framework for how a Flex RA product will solve current market problems. We encourage the CAISO to convene a Working Group to work with market participants to further define the Flex RA product and what issues this product will solve in the CAISO market.

Additionally, PCWA questions whether CAISO's current net load definition of *load minus renewables* and 3-hour ramp is reflective of actual operational needs for the Flex RA product, or if a longer 8-hour ramp and net load defined as *load minus non-dispatchable resources* is closer to operational reality.

PCWA believes CAISO should continue to work with market participants to define how the Flex RA product will help the current CAISO market as a whole. It needs to define what problems will it actually solved, before rapidly moving forward with a solution that is not fully formed or well understood by market participants.