

## **Southern California Edison**

### **Stakeholder Comments**

#### **FRAC MOO 2 Comments**

| <b>Submitted by</b>              | <b>Company</b>             | <b>Date Submitted</b> |
|----------------------------------|----------------------------|-----------------------|
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SCE appreciates that the CAISO has started the process to create a durable Flexible RA product. The CAISO's initial list of ideas presented on 7/22/2015, however, causes significant concern. SCE does not agree with the issues outlined by CAISO and does not believe the proposed changes will rationally improve the reliability of market operations.

Rather than list concerns and alternatives in these comments, SCE is prepared to submit a counter proposal and present at the 8/18/2015 working team meeting. The following pages contain an overview of SCE's proposal. In addition, SCE plans on addressing the issues of short term ramps, long term ramps, self-scheduling, and the Pmin burden. SCE requests 2 hours to present, discuss, and get feedback on the proposal at the 8/18 working team meeting.

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**The framework modifies the interim solution to create a durable Flexible RA product**

- 1) Keep the interim solution product definition
  - LSE's procure a single 3 hour product to meet a single flexibility requirement
- 2) Perform a Multi-Dimension Test to Ensure Reliability
  - Once resources are shown by LSEs, CAISO can validate the shown portfolio using multiple flexibility criteria
  - Conceptually similar to the current process for Local RA

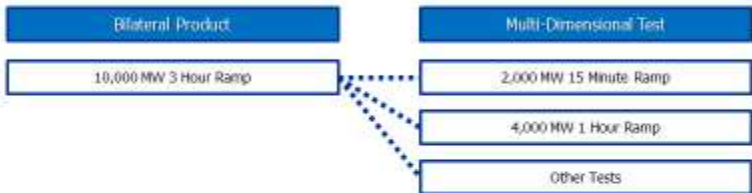


Framework results in a product that will meet all of CAISO's flexibility needs with only minimal changes to the interim product

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**Application of the framework results in a simple product that will meet multiple flexibility requirements**



**In this example:**

1. LSE's will procure and show a single portfolio that meets a 10,000 MW of 3 hour ramp EFC requirement.
2. CAISO will test the shown portfolio to see if it has the capability to meet 2,000 MW of 15-minute ramp, 4,000 MW of 1 hour ramp, etc.
3. Deficiencies are cured by additional LSE showing/procurement and/or ISO backstop procurement
  1. Details of cure process are TBD, but, conceptually similar to the cure process for Local RA effectiveness deficiencies

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