

Stakeholder Comments Template

Flexible Resource Adequacy Criteria and Must Offer Obligation - Phase 2 Straw Proposal

Submitted by	Company	Date Submitted
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1. Provision of flexible capacity by import or export resources.

SCE supports the CAISO allowing 15-minute inertia resources to provide flexibility capacity. While the initial list of requirements for inertia flexibility seem reasonable as a starting point for discussions, not all may be needed. SCE looks forward to continued discussions on the proposed requirements as well as the possibility of assigning flexible capacity based on the ability to export.

2. Flexible capacity from pumped-storage hydro model

SCE does not have any comments on this part of the proposal at this time

3. Merchant Variable Energy Resources

SCE agrees that there is no need for the ISO to pursue additional FRAC MOO requirements for merchant VERs at this time. SCE requests that the CAISO continue to monitor the amount of merchant VERs that exist within or are imported in to CAISO and publish a similar report in the future.

4. Allocating negative contributions to flexible capacity requirements

SCE has some concerns with this proposal. The methodology to allocate flexible RA requirements is based on a simplified look at the causes of flexible RA needs. It may be possible for a LRA to have a need for flexible capacity, but have the allocation process result in a zero (or now negative award). For example, the allocation process only looks at the 5 highest net load ramps in each month, and even then it may be possible for a LRA to have a positive contribution to at least one of those net load ramps (possibly even the largest net load ramp of the month) and still receive a negative contribution. SCE does not object to this proposal at this time but believes it merits further thinking.

5. Resource adequacy showing requirements for small LSEs

SCE does not have any comments on this part of the proposal at this time

6. Other.

In a past FRAC MOO meetings, SCE has presented a proposal on flexible capacity needs¹. In this proposal was a discussion on how self-scheduling effects over-generation concerns and what changes could be made to reduce the amount of self-scheduling on the system. SCE requests that “Identifying the causes of self-scheduling,” be included in the FRAC MOO 2 scope. It is important to understand the drivers of over-generation collectively in order to identify appropriate solutions. It will be necessary to understand how other proposed solutions (for example, lowering the bid floor) will interplay with the self-scheduling issue and other over-generation drivers.

¹ See <https://www.caiso.com/Documents/PresentationProposal-SouthernCaliforniaEdison-FlexibleRACriteriaMustOfferObligation.pdf>