



Stakeholder Comments Template

CAISO Reliability Demand Response Resource Minimum Run Time: Issue Paper/Draft Final Proposal

This template has been created for submission of stakeholder comments on the CAISO Reliability Demand Response Resource Minimum Run Time stakeholder call is scheduled on December 20, 2023. The meeting presentation and meeting recording for this initiative have been posted to the miscellaneous stakeholder meetings [webpage](#).

Upon completion of this template, please submit it to ISOStakeholdersAffairs@caiso.com. Submissions are requested by close of business on **Dec 18, 2023**.

Submitted by	Organization	Date Submitted
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Please provide your organization’s comments on the following issues and questions.

1. Do you believe the proposed changes will address the three identified issues in the paper?

SCE is supportive of CAISO’s proposal

SCE appreciates CAISO’s efforts to develop solutions that would accurately reflect Reliability Demand Response Resources (RDRR) capabilities. The proposed change to eliminate the minimum on-time requirement of one hour or less is a positive step towards enhancing the market operation of these resources. SCE supports modifications that will provide resource owners with greater flexibility to model their resources’ physical operating limits and any limits that may be bound by contractual and/or tariff provisions. SCE understands that this change is intended to address Issue #1 outlined in the proposal.¹

¹ The three identified issues in the paper are outlined near the top of page 2 [IssuePaper-DraftFinalProposal-ReliabilityDemandResponseResourceMinimumRunTime-Dec04-2023.pdf \(caiso.com\)](#).

Request for additional information

SCE requests CAISO to clarify which start-up time will be used in the 255-minute minimum run-time calculation (e.g. will CAISO incorporate the start-up time listed in the GDRT or the hard-coded start-up time tied to the bid options?). Furthermore, it remains unclear to SCE how this change will address Issues 2 and 3 mentioned in the proposal. SCE requests that CAISO provide an example of how the change would (Issue #2) maintain the preferred operating dispatch orders of RDRRs directed by the CPUC and (Issue #3) mitigate concerns with continued participation in the retail program integrated as RDRRs and retain the demand reduction capacity they provide. SCE would appreciate additional background information from CAISO that can help explain how these changes would address both concerns.

Additional enhancements needed to RDRRs

SCE believes there are additional enhancements that CAISO could also consider to help achieve their goal of accurately modeling RDRR operating capabilities and mitigating concerns about decreasing participation in the retail DR programs. On numerous occasions, SCE has provided recommendations (see sub-bullets #1 through #3 below) for enhancements that would address these two concerns. However, these recommendations have been dismissed by CAISO with little explanation as to why they are not being considered. We continue to urge CAISO to implement the following RDRR enhancements:

- 1) **Utilize Start-up Time listed in the GRDT:** The market currently utilizes hard-coded start-up times that are tied to the 15-minute, and 60-minute bid dispatch option for RDRRs. The current market rules prevent market participants from accurately reflecting RDRRs' true start-up time under these options. Instead, CAISO should be consistent with how they model other generators, which is to utilize the start-up time in the GDRT. This change would better reflect the physical operating characteristics of RDRRs, provide more accuracy to market dispatch, and give scheduling coordinators more flexibility to model their RDRRs accurately.
- 2) **Remove discrete dispatching cap of 100 MW:** CAISO currently has a discrete dispatch cap of 100 MW for RDRR. This cap requirement poses problems for Investor-Owned Utility (IOU) Demand Response programs by pressuring IOUs to split customer aggregations into several resources to stay under the 100 MW limit. An unintended consequence of this is that large customers with multiple participating facilities might have their facilities allocated to various resources. This results in an administrative burden on customers during DR events as they have to monitor and adhere to multiple load curtailment instructions. SCE believes that removing the 100 MW cap or allowing RDRR located at more than one site to be eligible for an exemption

to the 100MW discrete dispatch cap² could help simplify processes for DR participants and better reflect the physical operating characteristics of RDRRs, which will help with the retention of DR program participation (issue #3).

- 3) **Notification to Market Participants when RDRRs are enabled:** As a result of the recent CPUC RA decision, the use of RDRRs by CAISO became less restrictive, allowing the resource to be enabled upon the declaration of an EEA Watch. To help market participants adjust to this change, and to improve operations, it would be beneficial to have a system in place that automatically notifies market participants of when RDRRs are enabled. This automatic notification could be delivered through a CAISO Market Notice, Automatic Dispatch System, or a similar platform.

2. Please provide any Tariff amendments comments.

SCE does not have any additional comments regarding the proposed tariff amendments made by CAISO.

3. Recognizing this is a very limited scope to meet the accelerated timeline, what additional Reliability Demand Response Resource Minimum Run Time enhancements in the future would you like to see and why?

See question #1 for more information on additional RDRR enhancements.

² The current RDRR Discrete Dispatch Option Above 100 MW attestation requirement is that the RDRR must be located at a single site.