

Comments of Southern California Edison

Resource Transitions

*Resource Adequacy Deliverability Assessment
for Resources Transitioning
from Outside to Inside the ISO Balancing Authority Area*

Submitted by	Company	Date Submitted
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This template is for submission of stakeholder comments on the topics listed below, covered in the Resource Transitions Straw Proposal posted on March 24, 2011, and issues discussed during the stakeholder conference call on April 1, 2011, including the slide presentation.

Please submit your comments below where indicated. Your comments on any aspect of the Resource Transitions initiative are welcome. If you provide a preferred approach for a particular topic, your comments will be most useful if you provide the reasons and business case.

Please submit comments (in MS Word) to ResTrans@caiso.com no later than the close of business on April 8, 2011.

1. Do you have any concerns with the straw proposal, and if so please describe.

Edison is concerned with the “permanent” deliverability aspect of this approach. Although Edison supports the use of this concept as a starting point for determining deliverability for the initial year when the resource transitions from outside the balancing area to an internal asset, SCE is not aware of any generator that receives “permanent” deliverability status under the CAISO Tariff. These resources should remain subject to the applicable provisions of the CAISO tariff regarding deliverability, including Section 40.4.6.1, which states in part:

“In order to determine Net Qualifying Capacity from Resource Adequacy Resources subject to this Section 40.4, the CAISO will determine that a Resource Adequacy Resource is available to serve the aggregate of Load by means of a deliverability study. Documentation explaining the CAISO’s deliverability analysis will be posted on the CAISO Website. The deliverability study will be performed annually and shall focus on peak Demand conditions. The results of the deliverability study shall be incorporated into the Net Qualifying Capacity annual report under Section 40.4.2 and will be effective for the next Resource Adequacy Compliance Year.”

To “permanently” assign a deliverability value to these resources simply by virtue of the fact that they “transitioned” from outside the CAISO Balancing Authority Area (BAA) to inside based on a change of boundaries is to provide these resources an unfair advantage over resources already located within the

CAISO BAA that must comply with the requirements of CAISO Tariff Section 40.4.6.1 and other applicable provisions necessary to be granted deliverability status and count towards meeting RA requirements on an annual basis.

2. The ISO has proposed specific criteria to qualify for a resource transition as described in the straw proposal. Do you have any concerns with the proposed criteria, and if so please describe.
3. The ISO has proposed to determine historical deliveries associated with resource transitions based on (1) tags and metered output data, or (2) if tags are not available or clear, the power purchase agreement contract and metered output data. Do you have any concerns with these approaches, and if so please describe.
4. If you have any additional comments, please provide them here.

Impact to RA import capability from the transitioning resource should be determined with consideration to the CAISO's other stakeholder process - Deliverability of RA Capacity on Interties. The instant proposal's assumption that RA import capacity automatically decreases when the resource transitions seems to create the same issue that is driving the CAISO to reconsider its intertie methodology in the other stakeholder process