

Submitted by	Company Name	Submitted Date
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SDG&E appreciates the opportunity to comment on the CAISO's second revised draft tariff language for Reliability Services Initiative 2017.

SDG&E made requests seeking clarification and alignment of the revised Tariff to the CAISO's policy in the last draft tariff call. It appears that in the second revised draft, no such clarifications nor alignments were made. SDG&E believes the Tariff as written will create confusion for market participants as it did for the CAISO staff during the last call. SDG&E continues to request the CAISO to make the Tariff clear and consistent with the policies approved by the Board of Governors.

Section 40.3.2 (a)

The CAISO policy intended the LSE's Local RA requirement to be no greater than the LSE's month-ahead Demand and Reserve Margin requirement. The CAISO's policy proposal for RSI 1B states, "[i]n the **monthly resource adequacy process** [emphasis added], the ISO proposes to cap a load serving entity's local capacity requirement at that load serving entity's system requirement."¹ The draft Tariff language is too broad and seems to allow LSEs to commit a lower amount of Local resources during the year-ahead or annual process. If this is the case, then the draft Tariff is not consistent with the CAISO's proposal.

Section 40.9.3.6.1

SDG&E recommends the CAISO to clearly indicate that for planned outages submitted prior to T-25 and changed (increase in MW or duration) between T-25 to T-8, that the planned outage substitution evaluation is now considered as part of tariff section 40.9.3.6.2. This would provide sufficient time for SCs to procure and provide substitute capacity in the event a change is made at T-9. SDG&E believes this is consistent with the CAISO's proposal as shown in Figure 18 of the draft final proposal. The figure shows that any new outages given to the ISO after T-25 and any increases or changes to any outages will be treated in the same path that was separate from the T-25 outage snapshot.

¹ <http://www.caiso.com/Documents/DraftFinalProposalAddendum-ReliabilityServices.pdf>, pg 73

