

San Diego Gas & Electric (SDG&E) Comments on Ancillary Services Focus Group #2

SDG&E appreciates CAISO's continued commitment to improving market participation and optimization of ancillary services. SDG&E understands the reason for the A/S attestation and self-assessment is intended to address challenges with testing 100% of the resources certified to provide Ancillary Services within a reasonable timeframe. However, the addition of only an attestation without additional testing does not appear to solve the underlying issues with A/S resource response.

Notwithstanding this feedback, SDG&E believes the modifications to the proposal for ensuring validation of the A/S response, outlined in the May 5 focus group meeting, have been positive and that the attestation criteria for consideration (Attachment A) generally aligns with existing technical requirements. However, SDG&E is concerned that this attestation could result in excessive costs for re-testing. The discussion during the May 5 focus group meeting highlighted that there is a lack of clarity on the consequences from non-submittal and that there may be inconsistencies in the response from CAISO, which may lead to confusion from the parties and further limit A/S supply. SDG&E requests that CAISO clearly outline the consequences of failing to submit the attestation in the next focus group.

Further, SDG&E urges CAISO to prioritize addressing the resource evaluation process more holistically in a more appropriate policy forum, starting with the interaction between the frequency of A/S testing and the performance threshold. This approach can be overly restrictive in situations where there is insufficient testing for a given period. For example, it is possible when there are very few awards in an assessment period that a single failure where there is a minor deviation (less than 1% error for part of a 15-minute period) can result in a warning.

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