

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your comments on the FRACMOO Phase 2 stakeholder initiative Draft Framework Proposal posted on May 1, 2017.

Submit comments to InitiativeComments@CAISO.com

Comments are due December 13, 2017 by 5:00pm

The Draft Framework Proposal posted on November 20, 2017 and the presentation discussed during the November 29, 2017 stakeholder web conference may be found on the [FRACMOO](#) webpage.

Please provide your comments on the Draft Framework Proposal topics listed below and any additional comments you wish to provide using this template.

SDG&E appreciates the opportunity to provide comments on the CAISO's draft framework proposal.

CAISO's proposal and the underlying data that was presented to stakeholders shows that the solutions to the flexibility need is dependent upon necessary changes to the energy markets. Without such changes, it is still feasible for the CAISO to run out of quick start resources in the real-time market. Therefore, providing additional flexible capacity would not resolve the operational challenges that are created by the CAISO's own optimization.

Uncertainty

The CAISO's uncertainty data provides an incomplete picture for stakeholders. While the uncertainty data shows that the day-ahead and real-time differences result in both upward and downward ramps, it does not provide any reference points for comparison. Specifically, the CAISO did not provide the 3 hour net load ramp for the month and SDG&E is unable to compare it to the flexible capacity requirements set for that month. This is relevant in order to understand if the CAISO's forecasted flexible requirements covered the uncertainty already. The CAISO also did not provide data to show how it dispatched the flexible RA fleet to show there were insufficient flexible RA resources available to be dispatched in the real-time market. SDG&E requests the CAISO to include such data in future meetings to allow stakeholders to see the issues holistically.

New Flexible RA Products

SDG&E does not believe creating new Flexible RA products are necessary at this time because there is no certainty that the CAISO's energy markets will be able to utilize the fleet to resolve the net load ramp optimally. If the CAISO makes changes to the energy markets, then the CAISO must also review whether the current flexible RA products can be optimized in the new energy markets without any changes.

Energy Market Changes

SDG&E believes the CAISO should suspend the FRACMOO 2 initiative and focus on the energy market changes that were discussed at the meeting. The CAISO should not layer on additional changes to flexible RA that may be unnecessary.