

Stakeholder Comments Template

FRACMOO 2 Stakeholder Working Group

This template has been created for submission of stakeholder comments on the FRACMOO 2 Working Group Call that was held on August 2, 2017. The working group presentations and other information related to this initiative may be found at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/FlexibleResourceAdequacyCriteria-MustOfferObligations.aspx>

Submitted by	Company	Date Submitted
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Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on **August 18, 2017**.

Please provide your organization's comments on the following items:

1. Operational issues discussed during the working group related to flexible capacity needs.

The operational issues the ISO is facing was well documented in the August 2nd Working Group meeting. The Northwest faces similar oversupply challenges during high water-year spring run-off conditions. As both California and the Northwest face similar issues, both regions can complement each other in the solution. California could better utilize the Northwest's clean, fast ramping, highly flexible hydro systems to meet California's solar ramps while California could export to the Northwest its excess solar generation to help on both sides with renewables curtailment and negative prices.

2. Proposed flexible capacity procurement framework presented by The Brattle Group.

Seattle supports the ISO's plan to use the Brattle Group to analyze CAISO's flexible ramping issues and look towards solutions. Moving forward, ISO should work with stakeholders to define products that can be procured in the day-ahead timeframe and dispatched in increments of less than three hours to allow it to meet the uncertainty driving ISO's hourly and intra-hour needs.

3. Proposed flexibility metrics and any additional metrics that you believe the CAISO should consider.

Seattle does not propose a specific metric but does suggest that an eligible flexible resource should be able to contribute to the ISO's operational needs on an hourly, fifteen, and 5-minute basis and that eligible resources committed to the market should be able to meet a full range of flexible needs.

4. Plan to move the flexible capacity initiative forward.

Seattle supports a more holistic look at the CAISO's flexible capacity initiative. In order to have a thorough and robust discussion, Seattle encourages CAISO to continue stakeholder involvement in the process.

Further, and as outlined in earlier comments, Seattle continues to encourage the ISO to consider the use of inertia resources from the Northwest to meet the flexible needs of the of the ISO.

5. Any other comments.

None