COMMENTS OF THE CITIES OF ANAHEIM, AZUSA, BANNING, COLTON, PASADENA, AND RIVERSIDE, CALIFORNIA ("SIX CITIES") ON COMMITMENT COSTS ENHANCEMENTS PHASE 3 DRAFT TARIFF CLARIFICATIONS POSTED SEPTEMBER 26, 2019

In response to the ISO's request, the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (the "Six Cities") submit the following comments on the Commitment Costs Enhancements Phase 3 draft tariff clarifications posted on September 26, 2019:

<u>Section 40.6.4.1</u> Consistent with the discussion during the October 10, 2019 web conference, language should be added to state that the Must-Offer Obligation applicable to Runof-River Hydro Resources is to bid "expected available energy."

<u>Section 40.6.4.2</u> It does not seem appropriate or constructive to require Non-Dispatchable Resources to submit RUC Availability Bids when they may not be able to comply with a RUC award. If a Non-Dispatchable Resource receives a RUC award and subsequently is unable to produce in accordance with the award, then the system will have less available capacity than expected, potentially requiring Exceptional Dispatch or other out-of-market action. Six Cities recommend that Non-Dispatchable Resources not be required to submit RUC bids.

<u>Section 40.6.8(e)</u> For the same reasons discussed above with regard to Section 40.6.4.2, the Six Cities recommend that Non-Dispatchable Resources remain in Section 40.6.8(e) as a type of resource exempt from bid insertion. If, as a result of bid insertion, Non-Dispatchable Resources receive schedule awards with which they are unable to comply, the CAISO will not receive expected energy, potentially requiring Exceptional Dispatch of some other resource or other out-of-market action. It seems counter-productive to create a situation, through bid insertion for a Non-Dispatchable Resource, where an awarded schedule has a significant probability of being undeliverable.

<u>Section 40.9.3.1(b)(2)</u> Assessing RAAIM for Conditionally Available Resources based on RA capacity rather than on expected available energy may have the effect of excluding CARs from the RA fleet as a practical matter. The Six Cities do not have sufficient information about the overall RA fleet to evaluate the overall impact of this proposed modification. But given the growing challenges to procurement of RA supply, it does not seem constructive to adopt rules

that may exclude capacity with availability sufficient to provide a significant contribution to system reliability.

Submitted by, Bonnie S. Blair Thompson Coburn LLP 1909 K Street N.W., Suite 600 Washington, D.C. 20006-1167 bblair@thompsoncoburn.com 202-585-6905

Attorney for the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California