

**COMMENTS ON THE DRAFT TARIFF LANGUAGE
FOR THE RMR AND CPM ENHANCEMENTS INITIATIVE
ON BEHALF OF THE CITIES OF ANAHEIM, AZUSA, BANNING, COLTON,
PASADENA, AND RIVERSIDE, CALIFORNIA**

In response to the CAISO’s request, the Cities of Anaheim, Azusa, Banning Colton, Pasadena, and Riverside, California (collectively, the “Six Cities”) submit the following comments on the April 3rd posting of draft tariff language to implement the policy changes from the Reliability Must Run (“RMR”) and Capacity Procurement Mechanism (“CPM”) Enhancements stakeholder initiative.

<p>Section 11.13.5 Daily RMR Cost Allocation</p>	<p><i>Insert the following edits in the first sentence:</i></p> <p>The CAISO shall allocate each RMR Resource’s costs to the relevant Scheduling Coordinators on behalf of Load-Serving Entities within the TAC Areas specified in the RMR Contract.</p> <p><i>Please also refer to the comment below on Section 41.9.</i></p>
<p>Section 41.2.1 Formal Withdrawal Notice Applicable to Generating Units</p>	<p><i>The third certification provision should be revised as follows:</i></p> <p>In accordance with the BPM for Generator Management, it is mothballing the Generating Unit effective _____ [month], _____ [day], _____ [year]. The Generating Unit does not have a contract for Resource Adequacy Capacity for [check one or both] _____ the current year and/or _____ the upcoming year, it is uneconomic for the Generating Unit to remain in service for such year(s), and the decision to retire-mothball is definite unless the CAISO procures the Generating Unit, the Generating Unit is sold to an unaffiliated third-party, a third-party contracts with the Generating Unit for Resource Adequacy purposes or the Generating Unit obtains some other contract.</p> <p><i>The fourth certification provision should be revised as follows:</i></p> <p>It is rescinding its prior notice to retire or mothball the Generating Unit because the CAISO has procured the unit, the Generating Unit was sold to an unaffiliated third-party, a third-party contracted with the</p>

	<p>Generating Unit for Resource Adequacy purposes, or the Generating Unit obtained some other contract (this must occur before the effective date of the retirement <u>or mothball, as applicable</u>). State with specificity the reason for rescinding the retirement-prior notice:</p> <p><i>The foregoing changes should be incorporated into the draft affidavit as well.</i></p> <p><i>Additionally, there is a minor edit that should be made to the first sentence of the first certification provision:</i></p> <p>In accordance with the BPM for Generator Management, it It is retiring the Generating Unit effective ____ [month], _____ [day], ____ [year].</p>
<p>Section 41.2.2 Processing Retirement/Mothball Notices</p>	<p><i>The last two sentences of subsection (a) should be revised as follows:</i></p> <p>If the CAISO finds that a retiring Generating Unit is needed for reliability in either of these timeframes, the CAISO will designate the Generating Unit as RMR for the remainder of the current Resource Adequacy Compliance Year at the next feasible CAISO Governing Board meeting, conditioned on the Generating Unit not being procured as Resource Adequacy Capacity during the same period <u>prior to such designation</u>. -If the CAISO finds a mothballing Generating Unit is needed for reliability in the current Resource Adequacy Compliance Year, the CAISO will grant the Generating Unit an RMR designation for the remainder of the current Resource Adequacy Compliance Year at the next feasible CAISO Governing Board meeting, conditioned on the Generating Unit not being procured as Resource Adequacy Capacity during the same period <u>prior to such designation</u>.</p> <p><i>For clarity, the Six Cities suggest revising the first sentence of subsection (b) as follows:</i></p> <p>If the Generating Unit is not currently <u>subject to any obligations to serve as</u> a Resource Adequacy Resource in for the upcoming Resource Adequacy Compliance</p>

	Year and the unit owner is planning to retire or mothball its Generating Unit,
<p>Section 41.9 Allocation of Reliability Must-Run Contract Costs</p>	<p><i>Also for clarity, the Six Cities suggest revising the first sentence as follows:</i></p> <p><u>As specified in Section 11.13.5,</u> tThe CAISO will allocate Reliability Must-Run costs not recovered through market revenues to the Scheduling Coordinators for LSEs that serve load in the TAC Area(s) in which the need for the Reliability Must-Run Contract arose based upon the percentage of actual load of each LSE in the TAC Area(s) to the total load in the TAC Area(s) as recorded in the CAISO settlement system for the actual days of any settlement month period for which the Reliability Must-Run Contract was in effect.</p> <p><i>Alternatively, if the CAISO would prefer not to incorporate a cross-reference, the Six Cities suggest using consistent terminology in Section 11.13.5 and Section 41.9. Section 11.13.5 references “TAC Area metered Demand to total TAC Area metered Demand,” instead of referencing actual load and total load as in Section 41.9. Use of consistent terminology may help avoid any confusion or ambiguity regarding the cost allocation.</i></p>

Submitted by,

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