

## 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](mailto: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.

### **Identification of ramping and uncertainty needs**

The ISO has identified two drivers of flexible capacity needs: General Ramping needs and uncertainty. The ISO also demonstrated how these drivers related to operational needs.

#### **Six Cities' Comments:**

The Six Cities support the concept of evaluating separately the effects of general ramping needs and uncertainty and shaping Flexible RA requirements to address the two drivers.

### **Quantification of the flexible capacity needs**

The ISO has provided data regarding observed levels of uncertainty, in addition to previous discussion of net load ramps.

**Six Cities' Comments:**

The Six Cities have no comments at this time on the ISO's initial quantification of flexible capacity needs.

**Eligibility criteria and must offer obligations**

The ISO has outlined the need for three different flexible RA products: Day-ahead load shaping, a 15-minute product, and a 5-minute product. Additionally, the ISO has identified a preliminary list of resources characteristics and attributes that could be considered for resource eligibility to provide each product. Additionally, the ISO is considering new counting rules for VERs that are willing to bid into the ISO markets.

**Six Cities' Comments:**

The Six Cities previously have expressed support for the conceptual objective of aligning Flexible RA requirements with operational needs and continue to do so. On a preliminary basis, it seems to make sense to “stack” the requirements such that resources able to meet 5-minute requirements also could satisfy 15-minute and Day-Ahead requirements, and resources able to meet 15-minute requirements also could satisfy Day-Ahead requirements. It also appears to make sense to establish the temporal scope of must-offer obligations, at least for some portion of the Flexible RA resource fleet, based on the periods when ramping requirements are most likely to occur (*i.e.*, day-time hours). The Six Cities also support consideration of measures to allow and encourage greater participation by intertie resources in satisfying ramping requirements.

**Equitable allocation of flexible capacity needs**

Equitable allocation of flexible capacity needs is a critical element of a new flexible RA framework. The ISO seeks comments on potential allocation methodologies.

**Six Cities' Comments:**

At this stage, there is not enough information available regarding the magnitude and nature of incremental Flexible RA capacity that may be required to support any recommendation on potential allocation methodologies. See the comment below re the need for analysis of the extent to which the existing RA fleet is capable of satisfying ramping requirements.

**Other**

Please provide and comments not addressed above, including any comments on process or scope of the FRACMOO2 initiative, here.

**Six Cities' Comments:**

As noted above, the Six Cities support the concept of aligning Flexible RA requirements with operational needs. Although the ISO has provided information regarding the drivers of operational needs, the ISO still has not presented information sufficient to determine whether the existing Flexible RA fleet can meet the ISO's operational needs and, if not, what resource attributes are missing. In previous comments in this initiative, the Six Cities have urged the ISO to prioritize development and implementation of a methodology to assess the adequacy of the Flexible RA fleet to meet all ramping needs. Without such analysis, it is not possible to evaluate the impact of proposed modifications to the Flexible RA framework or to compare the costs versus anticipated benefits of proposed changes in requirements or assessment methodologies. The Six Cities, therefore, reiterate their view (joined by other stakeholders) that the ISO should provide a comprehensive analysis, including supporting data, of the extent to which the current Flexible RA fleet can or cannot meet operational needs. If the ISO believes the current Flexible RA fleet is not capable of meeting operational needs, the ISO should identify deficiencies or missing attributes in detail so that proposed solutions can be crafted to address identified problems efficiently and with as little interference as possible with LRA procurement programs. Such analysis of the adequacy of the existing Flexible RA fleet is necessary to understand the potential impact of changes to the Flexible RA framework in terms of incremental RA requirements and to support development of an appropriate method for allocating any such incremental requirements.