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Comments of the Small POU Coalition on the October 7, 2015 Reliability Services Initiative – Phase 2 Revised Straw Proposal

The Small Publicly Owned Utility Coalition (“Small POU Coalition”) respectfully submits these limited comments in response to the October 7, 2015 Reliability Services Initiative – Phase 2 (“RSI2”) Revised Straw Proposal. The RSI2 Revised Straw Proposal contains modifications to the previous Straw Proposal as related to the California Independent System Operator Corporation’s (“ISO”) efforts to improve the Resource Adequacy (“RA”) process.

The Small POU Coalition, an *ad hoc* coalition of small publicly owned utilities (“POUs”) in California, has been engaged in the RSI2 stakeholder process.¹ As explained in previous comments, POUs in the Small POU Coalition have a substantially smaller load and administrative capacity in comparison to many of the other utilities within the ISO’s Balancing Authority Area (“BAA”). Given these administrative constraints, the Small POU Coalition appreciates the ISO’s proposal in the RSI2 Revised Straw Proposal to automatically roll all RA showings made in annual plans into the monthly RA showing for all Load Serving Entities (“LSEs”). An RA rollover is an important step towards streamlining the RA process, and the Small POU Coalition supports the rollover proposal.

As expressed in comments at the October 14, 2015 workshop, the Small POU Coalition asks that the ISO further clarify in the draft final proposal that, because the monthly plans are rolled over from the annual plan, a monthly plan update is not missing or late information. In other words, though there may be a discrepancy or deficiency in a monthly plan that requires an update, the plan would not be missing or late, since it is automatically rolled over. This appears to be the intent expressed by the ISO,² but additional clarification would be helpful.

The Small POU Coalition also asks that the ISO provide a *de minimis* exception for procurement of RA. Currently, POUs in the Small POU Coalition are only able to procure market products in quantities of 1 MW or greater, regardless of whether the ISO’s procurement allocation for a small POU is much smaller. The Small POU Coalition requests that its comments on this issue be considered in the context

¹ The Small POU Coalition includes the Cities of Rancho Cucamonga, Moreno Valley, Corona, Colton, Needles, Cerritos, and Victorville, Eastside Power Authority, Pittsburg Power Company, and the Power & Water Resources Pooling Authority.

² See, e.g., Revised Straw Proposal at 7, 40-41 (describing rollover proposal); October 14 Workshop Slides at 39-41 (further describing rollover proposal).

of RSI2 and any other applicable stakeholder process (such as the Flexible Resource Adequacy Criteria and Must Offer Obligations Phase 2 process).

Lastly, the Small POU Coalition thanks the ISO for its efforts to improve its notification and reporting systems. The Small POU Coalition previously requested that the ISO improve its reporting systems to both confirm receipt and confirm review, and also to provide electronic indications of the lack of receipt in a timely manner. Again, the Small POU Coalition thanks the ISO for its efforts thus far, but a greater description of the ISO's proposed notification improvements in RSI and related stakeholder processes (along with the associated timelines) would be appreciated.

Conclusion

For all the reasons presented, the Small POU Coalition requests that the ISO to consider the above recommendations for inclusion in the forthcoming draft final RSI2 proposal and throughout the RSI2 stakeholder process.

Respectfully submitted,

/s/ Dan Griffiths

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