

Western Power Trading Forum Comments on Reliability Services Initiative

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WPTF appreciates the opportunity to provide these comments on the CAISO's latest proposed changes in its RSI, as captured in the CAISO's October 22, 2014 Second Revised Straw Proposal. (We have not repeated prior comments offered on earlier aspects of the CAISO's proposal herein.)

- The CAISO should resolve the outage replacement problem for resources that are located in a local area but are acting as system resources. In Section 10.3.5 the CAISO has proposed to relegate this issue to a second phase. The CAISO should find a way to work this issue, at least on a whole resource level, in this current phase. There is no legitimate basis for forcing a resource that was shown as a system resource to have to replace with a local resource. If the CAISO is taking credit for such resources as local resources when they were procured only as system resources the CAISO is leaning on suppliers in way that is not just. Prolonging this clearly discriminatory treatment is not reasonable.
- WPTF sees no clear basis for having differentiated RUC participation rules for longer-start PDR resources than for longer-start thermal resources. We ask that the ISO reconcile this differentiated treatment and/or provide much more analysis or discussion on why such a differentiation is appropriate.
- WPTF has repeatedly asked that the CAISO commit to reform the process and address explicitly how transmission outages are scheduled and thereby cause cancellation of approved generating outages. WPTF asks that the CAISO address this request and make a firm commitment to begin an explicit process around the tradeoffs between scheduling transmission outages and honoring approved generation outages.
- The CAISO should clarify its proposed Must Offer Obligation language to ensure the MOO is limited to only to contracted capacity. For example in Section 6.5.2 it would be more appropriate to state the MOO as shown: "Resources must offer the amount of their contracted ~~their full operationally available~~ flexible RA capacity into both the day-ahead and real-time market".

We appreciate the CAISO's consideration of these issues.