

Western Power Trading Forum Comments on Temporary Shutdown of Resource Operations Draft Final Proposal

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October 3, 2017

About the Western Power Trading Forum

The Western Power Trading Forum (WPTF) is a California nonprofit, public benefit corporation. It is a broad-based membership organization dedicated to enhancing competition in Western electric markets while maintaining the current high level of system reliability. WPTF supports uniform rules and transparency in order to facilitate transactions among market participants. The membership of WPTF includes load serving entities, energy service providers, scheduling coordinators, generators, power marketers, financial institutions, and public utilities, all of which participate actively in the California market, and other such markets in the West and across the country.

Comment Summary

WPTF appreciates the opportunity to provide comments on the Temporary Shutdown of Resource Operations Draft Final Proposal posted on September 6 and discussed on a Stakeholder call September 13. It is unfortunate that at this point in the policy process, there still remains a myriad of areas that require further clarification and some outstanding policy questions that still need to be addressed. Therefore, WPTF cannot support the proposed policy at this time with the significant amount of “unknowns.”

Comments

WPTF requests the ISO issue a Revised Draft Final Proposal that, at a minimum, addresses the following concerns and questions such that WPTF can determine if it's supportive of the proposal:

1. The ISO is proposing to allow outages if a unit is not needed for reliability, but it is unclear how this process will fit in with the BPM retirement/mothball processes, including the new process, “Retirement Scenario 4.”
2. Under what circumstances will the ISO allow a resource on an economic outage to return early? It is WPTF's understanding that the intent of the initiative is to allow for outages because it was uneconomic to continue operation of the resource. Given the intent, if the underlying economics that justified the original outage were to change such that it becomes viable to continue operation, the ISO should consider allowing the resource to return from outage early.
3. A supplemental point to (2) above is what if the economics change between the time the outage request had to be submitted (60 days prior to) and the time the ISO accepted the outage (8 days prior to). Under such a scenario will the ISO allow the outage to be denied provided support is provided or should the ISO consider modifications to the timing of requests and approval/denial notification to minimize this from occurring?
4. Is it the ISO's intention to potentially pay a resource a CPM payment for two months (if denied an outage due to local reasons) even though the outage denied was requested for one month (per the ISO's proposed maximum length of time a resource can request

an outage during peak months)? The apparent disconnect needs to be reconciled either through clarifications or changes to the proposal.

5. The policy appears to prioritize maintenance outages over outages for economic reasons by way of not approving/denying economic outages until the maintenance outage requests have been approved/denied. WPTF questions if the sequential ordering of these two processes are justified. If the sequential ordering persists, the ISO could end up with a RA resource out on maintenance without replacement and then the ISO denies an economic outage request because the ISO did not require replacement for the RA resource on a maintenance outage.
6. The ISO needs to ensure sufficient transparency regarding outages that are denied and those approved. Does the ISO intend to provide any additional detail in the current outage reports such as start and end dates for outage and/or a new category identifying outages approved through the TSRO process? Additionally, WPTF requests that the CAISO make public within 5-days of the triggering action the following events:
 - Requests for temporary shutdown or requests to renew a temporary shutdown
 - CAISO's determination (i.e. rejection or approval) of said request
 - Early return to service from a currently scheduled temporary shutdown

WPTF appreciates the ISO's consideration of these comments and looks forward to further discussions on a revised draft final proposal.