

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your written comments on the stakeholder initiative
“Temporary Suspension of Resource Operations.”

Submit comments to InitiativeComments@CAISO.com

Comments are due June 6, 2017 by 5:00pm

The Issue Paper posted on May 10, 2017 and the presentations discussed during the May 19, 2017 stakeholder conference call can be found on the [TSRO Website](#).

Please use this template to provide your written comments on the issue paper topics listed below and any additional comments that you wish to provide.

1. Scope of Initiative

Please provide any comments on the scope of this initiative.

Comments:

WPTF supports a scope that creates a process for evaluating and granting TSRO Outages, and payment structure should the TSRO Outage be denied by the ISO for reliability purposes. That said, WPTF supports a payment based on previously established policy for payments in the case of non-RA need- the CPM based on annual, monthly and intra-monthly CSPs. Therefore it seems reasonable for the scope to include explicitly expanding the CPM process to denied TSRO Outages. Tariff section 9, Outages, has historically referenced the CPM section.¹ WPTF sees a natural parallel between the two sections that could be explored in this initiative.

¹ Previous tariff versions noted that unreplaced planned outages requiring replacement would trigger CPM provisions.

Additionally, WPTF supports exploring the feasibility of a short-term TSRO Outage that can be placed for one or two days at a time that would not need significant review by operations to approve and not be eligible to be denied, except in severe circumstances.

Finally the scope should be entirely contained to non-RA capacity and include a discussion on partial-RA resources.

2. Identified Issues

Please provide any comments on the issues that have been identified thus far in the initiative, including whether there are other issues that you would like to identify.

Comments:

WPTF supports the issues as described and believes whether suspension is allowed, “return-ability”, compensation, time limits, and timelines are all appropriate to consider. Suspension and switching are also appropriate to consider albeit perhaps secondary issues because they do not seem contentious.

Finally, a resource on a TSRO outage should not be able to be counted on as RA because it has no reliability obligations.

3. Other Comments

Please provide any additional comments not associated with the topics listed above.

Comments:

It is perfectly rational for a non-RA resource to want to be relieved of their market obligation under current market rules and conditions. In the CCDEB initiative, ISO is proposing to explicitly limit start-up and minimum costs to only recover short-run variable costs and today implicitly imposes the return of short-run variable costs through the commitment cost offer cap. Many resources frequently run at minimum load or are dispatched down across the day during negative prices leading to BCR or low margins. If a non-RA resource cannot recover sufficient fixed costs in the energy market it is punitive to force them to have a de facto must offer obligation during unknown reliability events. This issue will only increase as negative prices become more prevalent.

Additionally, EIM resource are allowed to “outage” their non-RA resources for any reason because there is no must-offer obligation. It seems like the ISO at a minimum should have to justify why there should be different treatment between the ISO’s BAA and EIM Entities BAAs non-RA resources.

If ISO wants to limit the need for TSRO outages, they should focus on market rule reform that allows non-RA generators more freedom to control their commitment through offers. If a non-RA resource could reflect their willingness to provide energy through their start-up and

minimum load costs, it may in fact be unnecessary to allow short-term TSRO outages and these outages could be for longer-term outages only.