Stakeholder Comments Template

Subject: Regional Resource Adequacy Initiative

Submitted by	Company	Date Submitted
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WPFT appreciates the opportunity to provide the below comments.

1. **Resource Adequacy Unit Outage Substitution Rules for Internal and External Resources**

The ISO is proposing to allow imports to substitute for system RA capacity on outage in order for the resource on outage to avoid potential availability penalties. Currently the ISO allows only internal resources to substitute for capacity on outage and has different rules for local and system substitution. There is no check that a system resource substituting for a resource on forced outage has comparable characteristics. It also doesn't seem relevant to check ramping when an import may only be dispatched at times hourly or every 15 minutes. That said, it is not clear that an import will provide the same reliability as an internal resource and there would have to be additional rules developed surrounding the "firmness" of import energy.

WPTF supports substitution of internal resources with pseudo-tied resources as long as the substitute resource meets the same must-offer obligation as the resource on outage.

2. **Discussion of Import Resources that Qualify for RA Purposes**

WPTF agrees that clarification on the types of imports that qualify for resource adequacy credit would be beneficial. In general, imports should have the same must-offer obligation and level of reliability as internal resources in order to count as system RA capacity.

3. **Load Forecasting**

WPTF has no comments at this time and looks forward to participating in the June 22 working group.

4. **Maximum Import Capability**

WPTF supports the ISO rolling back its zonal requirement proposal and maintaining the MIC allocation current methodology.

The ISO proposes that the interfaces there were allocated by MIC between PAC and the CAISO with regionalization will no longer be PAC interfaces and instead be internal facilities. WPTF appreciates this clarification. WPTF also urges the CAISO to develop a method to allocation MIC on a multiyear basis. The single year MIC allocation process impedes commercial contracting efficiency and should be designed out in any new regionally expanded RA design.

5. Monitoring Locational Resource Adequacy Needs and Procurement Levels

WPTF supports the ISO's proposal to be able to perform a stochastic reliability assessment, the outcome of which would then trigger or not the need for backstop procurement.

6. Allocation of RA Requirements to LRAs/LSEs

WPTF has no comments on this topic at this time.

7. Reliability Assessment

a. Planning Reserve Margin for Reliability Assessment

WPTF supports the consideration of a loss of load expectation (LOLE) type criteria for setting the RA requirements. Such a method would likely more accurately reflect the resources and resource mix needed to support the grid. An LOLE methodology may also be more robust to sub-regional differences in that a consistent methodology could be adopted that may produce different results depending on the region to which the methodology is applied. WPTF recognizes that there may be an increased effort to establish and implement such a methodology, and that it may require a somewhat higher level of effort to apply each cycle even once implemented. Because of this WPTF may be supportive of an initial deployment of a Regional RA requirement based on a fixed planning reserve margin followed soon thereafter by a transition to an LOLE-based methodology.

b. Resource Counting Methodologies for Reliability Assessment

WPTF recognizes that there are ongoing discussions at the CPUC on counting rules. WPTF supports the use of a consistent counting rule methodology across all the parts of the expanded footprint. WPTF also supports the ELCC methodology for its probabilistic robustness. WPTF understands that the exceedance methodology has been shown to fail to capture saturation effects of specific renewable generating technologies. For example as solar generation fills early afternoon hours, the hours of highest system stress shift to the late afternoon, early evening, when solar generation is lower and contributes less to reliability. We also understand that the CPUC is transitioning to the use of ELCC to determine the capacity value of wind and solar for its RA program. This also provides motivation for the CAISO to switch to an ELCC methodology.

8. Other

WPTF strongly supports the CAISO having backstop authority for system, local, and flexible deficiencies. The ISO sought feedback on whether the ISO should backstop to the LRA, LSE, or system requirement. WPTF supports minimizing leaning to the extent possible. As described in SDG&E's comments during the meeting, anything short of requiring LSE's to show their full requirement up to the ISO's determined Planning Reserve Margin will enable leaning.