

## Stakeholder Comments Template

### Subject: Exceptional Dispatch White Paper and Meeting

Submitted by	Company	Date Submitted
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This template has been created to help stakeholders submit written comments on topics related to the December 2, 2009 Exceptional Dispatch White Paper and December 9, 2009 Exceptional Dispatch Stakeholder Meeting. Please submit comments (in MS Word) to [kjohnson@caiso.com](mailto:kjohnson@caiso.com) no later than the close of business on December 30, 2009.

Please share your views on the topics listed below.

#### 1. Single Biggest Issue

If you have an issue or issues with exceptional dispatch, what is your single biggest issue? Do you see this issue as persistent, or does it come and go? Do you have a proposed solution for this issue?

WPTF's single biggest issue is that the CAISO is exceptionally dispatching resources for capacity-like needs that are not adequately in the IFM energy dispatch. These exceptional dispatches distort the market results, and that the CAISO does not seem to be aggressively pursuing product definitions and/or modifications to the IFM that properly reflect these capacity-based needs.

#### 2. Product Attributes

In your view, what constitutes a product? What factors or circumstances are necessary for a product to exist?

Products must be definable, the CAISO must be able to publicly indicate the quantities, etc. that they wish to procure, there must be published resulting prices, and the costs should be borne by those who receive the benefit of the products.

#### 3. Shortcomings of Existing Products

To the extent that you believe that a new product (or products) is needed, to what degree do existing products such as Resource Adequacy capacity and Interim Capacity

Procurement Mechanism capacity already cover the need, and, if not, what is not covered?

The CAISO seems to have ongoing needs for short-term capacity based services in certain locations. The needs are not being procured on a market-basis, rather an interim, “stand-in” price (ICPM) is being used. The CAISO repeatedly indicates that it needs reserves that can respond within 20 or 30 minutes and that it does not wish to procure 10-minute reserves for this purpose yet continues to exceptionally dispatch resources to fill this need. Clearly there should be a product that the CAISO explicitly defines and procures via its integrated forward clearing markets for this service. Similarly, if the CAISO needs resources for voltage support, explicit products or services should be defined for this purpose and that should clear either in short, or longer, time horizons – as deemed appropriate.

#### **4. Visibility of Exceptional Dispatch**

What are your thoughts on incorporating more constraints and other operational elements into the operational software, such as the Minimum Online Capacity Constraint versus continuing to perform exceptional dispatch that may provide a different level of visibility than exceptional dispatch?

Incorporating flow-based constraints is useful, especially if done so transparently and consistently. Incorporating capacity-based constraints into the *energy* market seems problematic in many respects.

WPTF strongly requests that the CAISO communicate clearly and with sufficient notice when it is incorporating any additional constraints into the market model.

#### **5. Other Comments**

Are there additional comments that you would like to provide?

While WPTF commends the CAISO’s efforts to incorporate additional constraints into the market model and acknowledges the progress that has been to date to this end, WPTF does not support further delays in the creation of new products where needs have existed for some time and are anticipated to exist indefinitely.

Lastly, Dynegy in its comments identified another of other clarifying issues. WPTF also encourages the CAISO to fully address and resolve these issues.