



Stakeholder Comments Template

Resource Adequacy Enhancements

This template has been created for submission of stakeholder comments on the Resource Adequacy Enhancements working group on June 10, 2020. The stakeholder call presentation, and other information related to this initiative may be found on the initiative webpage at: <http://www.caiso.com/StakeholderProcesses/Resource-Adequacy-Enhancements>

Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on **June 24, 2020**.

Submitted by	Organization	Date Submitted
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Please provide your organization's comments on the following issues and questions.

1. Production Simulation: Determining UCAP Needs and Portfolio Assessment

Please provide your organization's feedback on the Production simulation: Determining UCAP needs and portfolio assessment topic as described in slides 4-15. Please explain your rationale and include examples if applicable.

No comments at this time.

2. Transitioning to UCAP Paradigm

Please provide your organization's feedback on the transitioning to UCAP paradigm topic as described in slides 16-19. Please explain your rationale and include examples if applicable.

Boston Energy has strong concerns with the impact the ISO proposal will have on long-term bilateral contracts resources have entered into with load serving entities. California RA contracting both short-term and long term is all based on the NQC methodology. Moving to a UCAP approach, which might be justified, creates great uncertainty and potential financial exposure for resources that have been procured through many of the CPUC directed procurement initiatives.

For example, Energy Storage resources have been procured at a rapid pace over the last 5 years. Many if not all storage resources have been procured under CPUC directed procurements securing 10+ year RA contracts. All of these procurements are focused on contracting for NQC and counting that NQC, as reported on the Supply Plan, as RA with the ISO. Changing the ISO measurement and supply plan showing to UCAP will directly impact all these long-term contracts in potentially a decremental way. CAISO can't ignore this major issue, and must provide a workable solution for such resources.

One potential simple solution would be to continue represent the MQ value shown on the supply plan in NQC terms. Since the ISO's proposal will require RA resources to bid up to NQC, we don't see why this would be problematic to the ISO.

3. Unforced Capacity Evaluations

Please provide your organization's feedback on the unforced capacity evaluations topic as described in slides 20-59. Please explain your rationale and include examples if applicable.

- a. Please provide your organization's feedback on the UCAP methodology: Seasonal availability factors topic as described in slides 27-46. Please explain your rationale and include examples if applicable.

No comments at this time.

- b. Please provide your organization's feedback on the UCAP methodologies for non-conventional generators topic as described in slides 47-59. Please explain your rationale and include examples if applicable.

Boston Energy does not support the ISO proposal to include the end-of-hour state of charge parameter in the calculation of UCAP for energy storage resources. We have been supportive of the ISO's approach to implementing an optional end of hour state of charge parameter since it was first discussed in 2019. The development of this parameter has been a collaborative effort between stakeholders and the ISO from the very beginning. Unfortunately, that collaboration seems to have ended with the publication of the ESDER 4 draft final proposal.

The ISO has added, at the last minute, vague language indicating that RA resource will not be able to utilize this end of hour parameter. This is because, as the ISO explained on the working group call, in order to use the parameter the storage resource must have at a minimum and maximum SOC range of at least 4 times its RA value. Given that 90+% of storage resources are RA resource this means in practice the ISO is developing a solution that nobody will be able to utilize. This last-minute change is very disappointing and seems to discount all the hard work and effort put in by stakeholders to develop a state of charge parameter. Boston Energy requests the ISO reconsider its proposal to restrict the use of this parameter to essentially non-RA storage resources only. If the ISO insists on keeping this requirement in the proposal, then Boston Energy suggest removing the feature from the ESDER 4 proposal all together. We see no sense of wasting time and energy on a market feature that nobody will be able to use.

Regarding bullet #2 on slide 48 Boston Energy seeks clarification from the ISO on what this actually means in practice given that the ISO market model has parameters for minimum and maximum SOC values which are listed in the master file and available in SIBR.

Additional comments

Please offer any other feedback your organization would like to provide on the Resource Adequacy Enhancements working group discussion.

No additional comments at this time.