



Stakeholder Comments Template

Resource Adequacy Enhancements – Straw Proposal Part 1

This template has been created for submission of stakeholder comments on Resource Adequacy Enhancements Straw Proposal Part 1 that was published on December 20, 2018. The Straw Proposal Part 1, Stakeholder meeting presentation, and other information related to this initiative may be found on the initiative webpage at: <http://www.caiso.com/informed/Pages/StakeholderProcesses/ResourceAdequacyEnhancements.aspx>

Upon completion of this template, please submit it to initiativecomments@caiso.com.

Submitted by	Organization	Date Submitted
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Submissions are requested by close of business on February 6, 2019.

Please provide your organization’s comments on the following issues and questions.

CDWR appreciates the opportunity to comment on the RA Enhancements Straw Proposal.

1. Rules for Import RA

Please provide your organization’s feedback on the Rules for Import RA topic. Please explain your rationale and include examples if applicable.

CDWR would support CAISO’s proposal to allow non-resource specific import RA resources to provide RA capacity with the additional requirement of declaring the balancing authority area (BAA) where the supply is coming from. The CAISO proposal should not eliminate current provisions allowing market participants to provide RA from such resources.

CAISO in its presentation slide 11, states:

ISO believes “resource-specific” designations are appropriate as a qualification to provide RA imports – With the contemplated extension of the day-ahead market to EIM entities, ISO believes at minimum – RA import resources must be required to specify source Balancing Area

For non-EIM imports, will specifying a resource BAA be a qualification to be an import RA resource?

CAISO tariff has the following provision currently:

40.8.1.12.2 Non-Dynamic System Resources For Non-Dynamic System Resources, the Scheduling Coordinator must demonstrate that the Load Serving Entity for which the Scheduling Coordinator is scheduling Demand has an allocation of import capacity at the import Scheduling Point under Section 40.4.6.2 that is not less than the Resource Adequacy Capacity from the Non-Dynamic System Resource. The Scheduling Coordinator must also demonstrate that the Non-Dynamic System Resource is covered by Operating Reserves, unless unit contingent, in the sending Balancing Authority Area. Eligibility as Resource Adequacy Capacity is contingent upon a showing by the Scheduling Coordinator of the System Resource that it has secured transmission through any intervening Balancing Authority Areas for the Operating Hours that cannot be curtailed for economic reasons or bumped by higher priority transmission. With respect to Non-Dynamic System Resources, any inter-temporal constraints, such as multi-hour run blocks, must be explicitly identified in the monthly Resource Adequacy Plan, and no constraints may be imposed beyond those explicitly stated in the plan.

Under CAISO proposal, how will the 40.8.12.2 section be changed to make such import resources still eligible for RA?

2. RAIM Enhancements & Outage Rules

- a. Please provide your organization's feedback on the Addressing Planned and Forced Outage Issue topic. Please explain your rationale and include examples if applicable.

ISO is contemplating two bookend solutions for planned outages. Option 1 will require LSE to use competitive solicitation process (CSP) for providing alternative capacity. This option may not ensure SC's own resource would be picked for alternative capacity of planned outage. Option 2 allows LSE to provide its own resource as alternative capacity in the supply plan. Option 2 is a better option as it does not have to be part of the CSP mechanism and own resource can be deployed as an alternative capacity with certainty. Therefore, Option 2 is the preferred alternative.

The ISO is considering new NQC rules and NQC reduction to eliminate forced outage substitution provisions for RA capacity. CDWR may face challenges for owned resources under this proposal.

Hydro/solar/wind conditions are highly unpredictable for compensating forced outage shortages. In case of hydro resources, forced outages may be driven by availability of water that depends on hydrology which can be very uncertain to predict. It is not clear, if the NQC reduction would apply to a specific month in future or for all months. Nevertheless, even if the hydrology improves in future compared to the month when forced outage occurred during a month, the proposed NQC reduction would limit the useful capacity for RA in future. How will ISO proposal reference to the LRA counting rules if new NQC rules will be created for reduction of NQC? Will the LRA counting rules be subject to CAISO adjustments?

b. Please provide your organization's feedback on the RAIM Enhancements topic. Please explain your rationale and include examples if applicable.

i. Please provide your organization's feedback on the Availability & Performance Assessment Triggers options presented in the proposal.

The CAISO proposes to eliminate RAIM exemption for all types of resources. If RAIM exemption is to be eliminated, how CAISO will calculate availability and performance of a participating load is unclear. A participating load providing RA capacity can be available to drop the load only when it is pumping. Therefore, availability measurement of a participating load should be based on the underlying load. For example, a participating load, may vary its pumping during certain hours of a day; if it pumps most during solar hours and reduces its pumping during CAISO system peak hours, it may not have load to drop; in fact, it would have already dropped the load to help system during system peak by pumping most during solar hours. If CAISO proceeds with this aspect of the proposal, CDWR recommends that availability measurement of a participating load should be based on the hourly load at the time of RAIM trigger event.

Example:

Day 1: Participating load demand = 100 MW

RA Capacity = 50 MW

DAM non-spin bid = 50 MW

DAM non-spin award = 30 MW

RTM load drop energy bid = 30 MW, equal to DAM A/S award

RTM load drop award = 30 MW

RTM load drop metered qty = 30

Availability = if ("Participating load demand" = 0, 100%, (min (DAM PL demand, DAM non-spin bid)/RA capacity)) = 50/50=100%

Performance = If ("DAM non-spin award" = 0, 100%, min (DAM non-spin award, RTM load drop metered qty)/RTM Load drop award (dispatch instruction)) = 30/30 =100%

Day 2: Participating load demand = 0 MW

RA Capacity = 50 MW

DAM non-spin bid = 0 MW

DAM non-spin award = 0 MW

RTM load drop energy bid = 0 MW, equal to DAM A/S award

RTM load drop award = 0 MW

RTM load drop metered qty = 0

Availability = if ("Participating load demand " = 0, 100%, min (DAM PL demand, DA non-spin bid)/RA capacity)) = 100%; here, the availability is measured as 100% because there was no load to provide non-spin and the load already had been dropped.

Performance = If ("DAM non-spin award " = 0, 100%, min (DAM non-spin award, RTM load drop metered qty)/RTM Load drop award (dispatch instruction)) = 100%; Here, the performance is measured as 100% because there was no DAM non-spin award as a result of no load.

Since participating load model functions differently compared to a generating resource, calculation of availability and performance would be different compared to a generating resource calculation and can be complex as shown by example above. If the complexity cannot be handled in calculations, then exemption from RAAIM would be a valid option.

System peak may be the best metric for system RA availability measurement trigger event when the system reliability is most at risk.

3. Local Capacity Assessments with Availability-Limited Resources

Please provide your organization's feedback on the Local Capacity Assessments with Availability-Limited Resources topic. Please explain your rationale and include examples if applicable.

CAISO should provide a list of availability limited resources that exist today for the assessment of local capacity.

4. Meeting Local Capacity Needs with Slow Demand Response

Please provide your organization's feedback on the Meeting Local Capacity Needs with Slow Demand Response topic. Please explain your rationale and include examples if applicable.

No comment.

Additional comments

Please offer any other feedback your organization would like to provide on the RA Enhancements Straw Proposal Part 1.

No comment.