



Stakeholder Comments Template

Variable Operations and Maintenance Cost Review

This template has been created for submission of stakeholder comments on the Variable Operations and Maintenance Cost Review straw proposal. The proposal, stakeholder meeting presentation, and other information related to this initiative may be found on the initiative webpage at: <http://www.caiso.com/StakeholderProcesses/Variable-operations-maintenance-cost-review>.

Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on **January 21, 2020**.

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

1. Proposal Component A: Establish definitions for the O&M cost components

Please provide your organization's feedback on establishing definitions for the O&M cost components as described in section 4.1. Please explain your rationale and include examples if applicable.

CDWR supports the definitions of the following cost components, established in section 4.1:

- Variable Operations Cost
- Variable Maintenance Cost – CDWR agrees with adding the following condition, as per page 10 of the straw proposal, "Such costs should not represent significant upgrades to the unit or significantly extend the life of the unit".
- Fixed Maintenance Cost
- General & Administrative Costs

2. Proposal Component B: Refine Variable Operations Adders

Please provide your organization's feedback on the ISO's proposal to refine variable operations adders as described in section 4.2. Please explain your rationale and include examples if applicable.

CDWR supports the refinement of variable operations (VO) adders as described in section 4.2 (Page 12-13). CDWR supports the 17 proposed technology groups shown in Table 2.

CDWR understands that the VO adder values (listed in Table 2) are not final and will continue to be discussed in this stakeholder initiative.

3. Proposal Component C: Calculate Default Maintenance Adders

Please provide your organization's feedback on calculating default maintenance adders as described in section 4.3. Please explain your rationale and include examples if applicable.

CDWR in general supports CAISO's methodology for calculating the default maintenance adders (MA) as described in section 4.3 (Page 13-19). However, CDWR would like to see more analysis on the next proposal on how the proposed MAs will affect start-up and minimum load bid caps.

CDWR supports the option to continue to allow market participants to negotiate resource-specific MAs and VO adders.

4. Implementation of Proposal

Please provide your organization's feedback on the suggested implementation details described in section 5. Please explain your rationale and include examples if applicable.

CDWR supports CAISO's suggested implementation details described in section 5 (Page 19-20), namely:

- Allow CAISO more time to review MA and VO adder negotiation applications
- Keep in place existing definitions and cost framework until the implementation date of this proposal

Additional comments

Please offer any other feedback your organization would like to provide on the Variable Operations and Maintenance Cost Review straw proposal.

CDWR has no additional comments.