

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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Please use this template to provide your comments on the discussion from the Energy Storage and Distributed Energy Resources Phase 3 stakeholder call at the California ISO on October 12, 2017.

Submit comments to initiativecomments@CAISO.com

Comments are due October 18, 2017 by 5:00pm Pacific time



Please provide your comments on the topics listed below from the Issue Paper presentation discussed during the October 12 stakeholder call, as well as any additional comments you wish to provide using this template.

1. Please provide comments on whether your organization supports or opposes the Demand Response proposal item, as well as the reasons why.

The California Large Energy Consumers Association (CLECA) strongly supports prompt attention to the demand response (DR) integration barriers addressed in the issue paper. These include when and how to set start-up and minimum load costs, the impacts of a 0 MW Pmin on real time dispatch, the application and use of minimum and maximum run-time constraints, the recognition of a notification time, if applicable, and the inability for all resources to respond to a marginal dispatch. These constraints are creating problems like

infeasible dispatches and commitment of resources outside of their retail tariff parameters. These outcomes create additional costs and resource management problems for scheduling coordinators.

CLECA also strongly supports a re-framing of aggregation rules to reconsider the requirement that all locations be served by a single LSE. This requirement is keeping existing resources out of the market as customers change LSEs with the expansion of community choice aggregation (CCA). The relationship of this requirement to the Default Load Adjustment (DLA) should be explored to see if there are other means of assigning responsibility for the DLA. This issue is also preventing existing resources from integration. If they cannot be integrated, they will lose their RA value and LSEs will be required to engage in procurement of replacement resources at cost to consumers.

A process for addressing the variability of weather-sensitive DR is needed, so its output can be accounted for under different conditions. While CLECA understands that this has consequences for RA counting as qualifying capacity (QC), we would encourage the CAISO to work with the CPUC to assure that this matter is addressed by both the CAISO and the CPUC in an expeditious manner. Certainly, we will raise this as one of the issues to be addressed earlier in the new RA rulemaking at the CPUC. It is not clear at this time that the use of the Effective Load Carrying Capability (ELCC) methodology is appropriate for DR. It may be that some formula to predict QC as a function of a weather forecast will be feasible and can be used to forecast DR QC like wind and solar forecasts are used for those resources. On October 12, the CAISO said it needed more detail on this issue. We suggest that a working group be set up to develop a more detailed proposal.

CLECA remains concerned that the matter of viable telemetry alternatives for PDR does not have a home in any CPUC proceeding or CAISO stakeholder process. We would encourage the creation of a working group to explore this issue. It is our understanding that the management of PDR resources to keep them under 10 MW, as well as the aggregation rules, is leading to the need to bid and schedule large numbers of resources.

CLECA emphasizes what it said at the October 12 workshop. These barriers are keeping existing resources out of the CAISO markets and preventing them from providing RA value. If these existing resources go away because they cannot provide that value, there is no guarantee that customers will participate in the future in another resource. We think that retention of existing resources should have priority over creating models for new resources. The load shift product has potential, and it is clearly supported by the storage community. We have no objection to the development of a load sift product, but it should not have priority over the resolution of barriers to participation for existing DR resources.

2. Please provide comments on whether your organization supports or opposes the Multiple-Use Applications proposal item, as well as the reasons why.

These issues are not a priority for CLECA. We believe that the wholesale/retail issues associated with wholesale market participation for micro-grids will be very thorny. Without their resolution, such a product will not be viable.

3. Please provide comments on whether your organization supports or opposes the Non-Generator Resource proposal item, as well as the reasons why.

CLECA has no comments on NGR issues.

4. Please provide additional comments, if any, from the discussion.

CLECA has no additional comments.