



Stakeholder Comments Template

Energy Storage and Distributed Energy Resources Phase 3

This template has been created for submission of stakeholder comments on the Draft Final Proposal of ESDER 3 that was published on July 11, 2018. The Draft Final Proposal, Stakeholder Meeting presentation, and other information related to this initiative may be found on the initiative webpage at: [ESDER Webpage](#)

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

Submissions are requested by close of business on **July 27, 2018**.

Submitted by	Organization	Date Submitted
Brian Kooiman (415) 737-5664	OhmConnect, Inc.	July 27, 2018

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

1. Bidding and real-time dispatch options for Demand Response

Please state your organization's position as described in the Draft Final Proposal: (Support, support with caveats or oppose)

OhmConnect **supports with caveats** the California Independent System Operator (CAISO) proposal to expand the bidding options available to Proxy Demand Resources (PDRs).

If you replied supports with caveats or opposes, please further explain your position and include examples:

OhmConnect appreciates the flexibility provided to PDRs by offering three different bidding options. In particular, the proposed changes will allow System Resource Adequacy (RA) resources to better reflect their capabilities in the market.

However, we are concerned that Local RA resources are seemingly precluded from utilizing either the hourly bid option or the 15-minute bid option. As per the Business Practice Manual for Reliability Requirements, "the CAISO assumes that local capacity resources need to be available in no longer than 20 minutes so the CAISO and demand response providers have a reasonable opportunity to perform their respective and necessary tasks and enable the CAISO to reposition the system within the 30

minutes in accordance with applicable reliability criteria.”¹ We interpret this to mean that resources must respond, at most, within 20 minutes. The Draft Final Proposal notes, at Footnote 7 (page 11), that “PDRs electing the hourly bid option without a RUC obligation can only be considered as a system RA resource,” presumably because of this 20-minute response time. However, the Fifteen-Minute Market (FMM) has a 22.5-minute notification time, which implies that PDRs electing the 15-minute bid option will likewise be eligible to provide System RA only.

OhmConnect appreciates that in expanding the set of Real-Time Market (RTM) bidding options available to PDRs, the CAISO wishes to leverage its existing Federal Energy Regulatory Commission (FERC) Order No. 764 market design – specifically, the 15-minute bidding option developed for intertie resources. We note that the rationale for the 22.5-minute notification time was to ensure that intertie resources can submit North American Electric Reliability Corporation (NERC) e-Tags at least 20 minutes prior to the flow of energy. We also note, however, that intertie resources are, by definition, ineligible to provide Local RA. OhmConnect believes that, for the foreseeable future, most PDRs will be RA resources, whether belonging to a utility or a third party. We also believe an increasing number of PDRs will wish to be Local RA resources, as the need for (and hence the value of) Local RA is expected to outstrip System RA. For these reasons, we are concerned that this proposal does not fully resolve the infeasible dispatch issue that the bidding options were intended to address, and that the issue will persist for an increasing number of resources. We request that the CAISO consider pathways for Local RA resources to utilize the 15-minute bid option. It seems there are (at least) two potential pathways to attain this:

- 1) Modify the FMM notification time for PDRs to 20 minutes (instead of 22.5 minutes) to align with the local requirement; or
- 2) Increase the permissible response time to 22.5 minutes for DR providing Local RA.

2. **Removal of the single load serving entity aggregation requirement and the application of a default load adjustment**

Please state your organization’s position as described in the Draft Final Proposal: (Support, support with caveats or oppose)

OhmConnect **supports** the CAISO proposal to remove the single Load Serving Entity (LSE) aggregation requirement.

If you replied supports with caveats or opposes, please further explain your position and include examples:

¹ CAISO Business Practice Manual for Reliability Requirements, Version 37, at p. 101 (Footnote 8).

3. Load shift product for behind the meter storage

Please state your organization's position as described in the Draft Final Proposal: (Support, support with caveats or oppose)

OhmConnect **does not oppose** the CAISO proposal to create a load shift product.

If you replied supports with caveats or opposes, please further explain your position and include examples:

OhmConnect requests that the CAISO consider addressing in future stakeholder initiatives the expansion of this load shift product to resources that are not solely comprised of behind-the-meter storage. Expanding the load shift product may also involve further design and refinement of the proposed baseline calculation and performance methodology.

4. Measurement of behind the meter electric vehicle supply equipment (EVSE) load curtailment

Please state your organization's position as described in the Draft Final Proposal: (Support, support with caveats or oppose)

OhmConnect **supports** the CAISO proposal for the measurement of Behind-the-Meter (BTM) EVSE load curtailment. We believe the proposal successfully builds on existing resource models while retaining for CAISO sufficient oversight authority.

If you replied supports with caveats or opposes, please further explain your position and include examples:

5. Additional comments

Please offer any other feedback your organization would like to provide on the Draft Final Proposal

OhmConnect appreciates the opportunity to provide feedback to CAISO on the Draft Final Proposal for Phase 3 of the Energy Storage and Distribute Energy Resources stakeholder process. We are generally supportive of all four proposals, and we believe that the proposed removal of the single LSE aggregation requirement, in particular, will allow PDRs comprised of residential customers to more accurately reflect their resource capabilities in the markets. However, we also are concerned that the changes to the bid options will still preclude Local RA resources from resolving the infeasible dispatch concern.