



CAISO Final 2021 Policy Initiatives Roadmap

Comments Submitted by	Organization	Date Submitted
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PGP Supports the 2021 Roadmap

PGP¹ supports the direction that CAISO has taken with the Final 2021 Policy Initiatives Roadmap. Most notably, the importance of Resource Adequacy in light of the late summer high load conditions has been captured in a couple of ways. First, the description of this driver has evolved from “Enhance Resource Adequacy” in the draft roadmap to “Comprehensive Redesign of Resource Adequacy” in the final roadmap. Many of the issues identified in the Preliminary Root Cause Analysis indicated a need for a wholistic review of resource adequacy, which is captured in this change to the description. More importantly, though, the final roadmap identifies specific components within the scope of these initiatives that are intended to address some of the findings of the root cause analysis. For example, the scope of the Scarcity Pricing initiative now includes “mechanisms to ensure real-time prices incentivize accurate day-ahead scheduling and bidding.” PGP also supports the inclusion of system market power mitigation into the Scarcity Pricing initiative. PGP believes that this initiative will be very important and looks forward to contributing to its success.

PGP Recommends Review of the EIM RSE

As stated in comments for the draft proposal, PGP recommends that CAISO remain flexible to modifying the scope and priority of these initiatives as new information comes to light. For example, PGP continues to stress the importance of ensuring that all components of the EIM Resource Sufficiency Evaluation (RSE) is applied transparently and consistently to both CAISO and non-CAISO EIM Entities. Data from events of August 14th – 19th suggest that there were multiple hours when entities were in an Energy Emergency Alert while passing the EIM RSE, and it is not clear what, if any, impact there was on other EIM participants. PGP believes that a detailed understanding of the events and consequences of the August event followed by consideration of improvements to the EIM RSE are needed. For this reason, PGP recommends that CAISO specifically include EIM RSE Improvements in the scope of an existing initiative or create a new initiative.

¹ PGP represents eleven consumer-owned utilities in Washington and Oregon that own almost 8,000 MW of generation, approximately 7,000 MW of which is hydro and over 97% of which is carbon free. Four of the PGP members operate their own balancing authority areas (BAAs), while the remaining members have service territories within the Bonneville Power Administration’s (BPA) BAA. As a group, PGP members also purchase over 45 percent of BPA’s preference power.