



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.

Public Generating Pool (PGP) appreciates the opportunity to comment on the California ISO's Resource Adequacy Enhancements Straw Proposal Part 1 dated December 20, 2018. PGP represents ten consumer-owned utilities in Oregon and Washington that own almost 6,000 MW of generation, 4,500 MW of which is hydro and 95% of which is carbon-free. Three of the PGP members operate their own Balancing Authority Area (BAA), while the remaining members have service territories within the Bonneville Power Administration's (BPA) BAA. Nine PGP members purchase 37 percent of the preference power sold by BPA.

PGP's comments are limited to CAISO's proposed enhancements for Resource Adequacy (RA) Imports.

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

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.

PGP shares concerns raised by stakeholders and the CAISO that current RA imports rules potentially allows speculative supply to count for RA capacity, undermining the integrity of the RA program and threatening system reliability. Not only does speculative import RA supply significantly impact the CAISO BAA but it blocks real external supply from participating in the RA program and could result in CAISO needing to lean on external BAAs to make up any energy

shortfalls from these RA contracts not performing. It is critically important that CAISO adequately address the problem of speculative supply and the potential for double-counting of RA imports.

RA Imports should be required to specify source BA, generation source and transmission

PGP supports CAISO's proposal to require RA import resources to specify the source Balancing Area and believes that sellers of import RA should also be required to specify the generation source (i.e. the individual resource or group of physical resources, such as a multi-unit hydro system, that will be used to meet the RA obligation), as well as the transmission service arrangement that will deliver the capacity to a specific CAISO intertie. PGP is open to other options for preventing speculative import RA supply and double-counting of import RA resources.

Extending the must-offer obligations may be premature

PGP does not oppose extending the must offer obligations for RA imports into the real-time markets but believes this change may be premature. As part of the Day-Ahead Market Enhancements, CAISO is proposing to develop a day-ahead flexible ramping product. PGP believes it is important to understand the interplay between the day-ahead flexible ramping product and the RA must offer obligations before CAISO makes this change.

15-Minute Bidding and Scheduling should be optional for RA imports

PGP does not believe requiring 15-minute bidding and scheduling granularity for import RA resources is necessary. It is unclear what problem adding this requirement is trying to solve. CAISO states that the reason it is seeking to make enhancements to import RA requirements is to address potential speculative supply and prevent double-counting of import RA resources. It appears the addition of a 15-minute bidding and scheduling granularity requirement does not provide a solution to either of these issues. PGP requests clarification regarding the problem that exists today with import RA resources utilizing hourly bidding and scheduling and how requiring 15-minute bidding and scheduling granularity will remedy the problem. If a problem does not exist, PGP believes 15-minute bidding and scheduling granularity should remain optional for import RA resources.

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.

- 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.

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.

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.

Additional comments

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