



Stakeholder Comments Template

PDR - Resource Adequacy Clarifications Initiative

- **Effective Flexible Capacity Value for Proxy Demand Resources Tariff Clarifications**
- **Slow Demand Response Final Proposal** (formerly within RA Enhancements initiative)

This template has been created for submission of stakeholder comments on the **Proxy Demand Resource (PDR) – Resource Adequacy (RA) Clarifications Initiative** web conference that was held on April 28, 2020. The meeting material and other information related to this initiative may be found on the initiative webpage at:

<http://www.caiso.com/StakeholderProcesses/Proxy-demand-resource-resource-adequacy-clarification>

Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on May 8, 2020.

Submitted by	Organization	Date Submitted
<i>Wei Zhou (wei.zhou@sce.com)</i>	<i>SCE</i>	<i>May 8, 2020</i>

Please provide your organization’s comments on the following topics and indicate your organization’s position on the topics below (*Support, Support with caveats, Oppose, or Oppose with caveats*). Please provide examples and support for your positions in your responses, as applicable.

1. Effective Flexible Capacity (EFC) for PDRs

Please provide your organization’s feedback on the proposed EFC value for PDR tariff revisions.

SCE supports the CAISO Proposal on EFC for PDRs¹. During the April 28,2020 stakeholder call, the CAISO asserted that the proposed 5-min bidding and dispatch requirement for PDRs to provide Flexible RA is not a new must-offer-obligation (MOO) requirement for resources providing Flexible RA, rather it is an eligibility criterion for

¹ The CAISO proposed to remove the tariff requirement of random tests and to use the general formula described in the tariff (Section 40.10.4.1 a) in setting EFC values for PDRs. PDRs continue to be subject to existing CAISO tariff provisions that permits tests: testing to confirm capability to provide ancillary services and self-test results to validate resource characteristics when a PDR’s performance does not align with its registered master file values. 5-min bidding and dispatch requirement for PDRs to be eligible for providing flexible RA.

PDRs to qualify as providing Flexible RA. While SCE does not necessarily object to this interpretation at this time, SCE believes that additional clarification from the CAISO on the MOO requirement and eligibility criteria for resources providing Flexible RA would be beneficial. The CAISO should consider providing this information, such as in the form of CAISO Responses to Comments or a Stakeholder Comments matrix, preferably prior to the planned FERC filing.

For additional comments on the CAISO Proposal on EFC for PDRs, including the issue of 0.99MW EFC value, please refer to the prior comments submitted by SCE².

2. Slow Demand Response (DR)

Please provide your organization's feedback on the Slow DR final proposal and tariff clarifications.

As stated previously, SCE is concerned with the CAISO's adoption of this definition of Slow DR ahead of the California Public Utilities Commission's (CPUC) decision in the Resource Adequacy Rulemaking (R.) 19-11-009 which will treat and count certain demand response (DR) resources differently for local RA. If the CAISO adopts a 20-minute dispatch requirement (or sufficient pre-dispatch capability) for DR to qualify for local RA, DR resources such as SCE's BIP-30 program will no longer count as local RA and may cause SCE and other LSEs, that previously received local RA benefits from BIP-30, to procure additional local RA even though a portion of the BIP 30 program will respond within the required 20 minute time frame.

SCE recommends the CAISO delay adopting its Slow DR proposal until the CPUC issues a decision on the CAISO's Slow DR proposal and work with the CPUC and stakeholders to develop a method or proposal to estimate a value for 30-minute reliability DR resources which would allow these programs and resources to recognize their ramping value (i.e. the amount of load reduction that can be relied upon to have curtailed within the 20 minute time-frame) and capabilities and count them as local RA. These types of DR programs should get credit for the significant number of megawatts they can contribute within the 20-minute timeframe.

Additional comments

Please offer any other feedback your organization would like to provide on the PDR-RA Clarifications initiative.

² <http://www.caiso.com/InitiativeDocuments/SCEComments-ProxyDemandResource-ResourceAdequacyClarifications.pdf>