



Stakeholder Comments Template

Resource Adequacy Enhancements

This template has been created for submission of stakeholder comments on the Resource Adequacy Enhancements working group on June 10, 2020. The stakeholder call presentation, and other information related to this initiative may be found on the initiative webpage at: <http://www.caiso.com/StakeholderProcesses/Resource-Adequacy-Enhancements>

Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on **June 24, 2020**.

Submitted by	Organization	Date Submitted
<i>Mike Evans 858-526-2103</i>	<i>Shell Energy</i>	<i>June 24, 2020</i>

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

1. Production Simulation: Determining UCAP Needs and Portfolio Assessment

Please provide your organization's feedback on the Production simulation: Determining UCAP needs and portfolio assessment topic as described in slides 4-15. Please explain your rationale and include examples if applicable.

2. Transitioning to UCAP Paradigm

Please provide your organization's feedback on the transitioning to UCAP paradigm topic as described in slides 16-19. Please explain your rationale and include examples if applicable.

3. Unforced Capacity Evaluations

Please provide your organization's feedback on the unforced capacity evaluations topic as described in slides 20-59. Please explain your rationale and include examples if applicable.

- a. Please provide your organization's feedback on the UCAP methodology: Seasonal availability factors topic as described in slides 27-46. Please explain your rationale and include examples if applicable.

- b. Please provide your organization's feedback on the UCAP methodologies for non-conventional generators topic as described in slides 47-59. Please explain your rationale and include examples if applicable.

Additional comments

Please offer any other feedback your organization would like to provide on the Resource Adequacy Enhancements working group discussion.

We remain concerned that UCAP is overly complex and is not the right solution. UCAP will inhibit contracting forward for RA capacity and changes in annual and monthly NQC will logically cause physical suppliers to withhold some capacity to hedge for outages, taking available capacity out of service and thus resulting in higher costs to CA consumers. While we support elimination of RAIM, we encourage the CAISO to evaluate the negative impact of UCAP and consider other solutions, including increasing the PRM.

A liquid capacity market with an easing on substitution rules for outages will achieve lower costs and more capacity being available.

We are unclear on impacts associated with the CAISO creating new outage classifications such as "urgent" and "opportunity" outages which do not align with NERC GADS reporting, and the difficult of ensuring consistent use of these non-standard categories.

Transmission outages should not result in a generator being perceived that it is not available and thus penalized, when in fact the unit could have operated but for an event, such as a transmission outage, out of its control.