

**COMMENTS OF THE CITIES OF ANAHEIM, AZUSA, BANNING,
COLTON, PASADENA, AND RIVERSIDE, CALIFORNIA ON THE
DRAFT 2021 POLICY INITIATIVES ROADMAP AND ANNUAL PLAN**

In response to the CAISO's request, the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (collectively, the "Six Cities") provide their comments on the Draft Policy Initiatives Roadmap for 2021.

The Six Cities acknowledge the CAISO's response to comments by the Six Cities and other parties, including the California Municipal Utilities Association ("CMUA"), urging the CAISO to begin a new stakeholder initiative to holistically review the existing Maximum Import Capability ("MIC") construct. As shown in the Final 2021 Policy Initiatives Catalog dated September 14, 2020, the CAISO has added an initiative entitled "MIC Enhancements" at Section 6.3.1, which will evaluate whether structural changes to the MIC are needed to improve grid reliability. This initiative has been classified by the CAISO as a "discretionary" initiative.

In the presentation of the Roadmap and Annual Plan dated September 30, 2020, the CAISO makes no mention of plans to begin this necessary and urgently needed initiative. The only reference to MIC is on page 22, which represents the Three Year Policy Roadmap. On that slide, the "MIC Enhancements" initiative is reflected as having a 2020 implementation timeframe. Since the Six Cities understand that the "MIC Enhancements" initiative is intended to refer to the newly-added initiative that has not started yet, the Six Cities believe that the reference on this slide may be in error, and the reference should instead be to the MIC Stabilization and Multi-Year Allocation initiative that was recently completed. There is likewise no mention of the MIC Enhancements initiative on slide 23 of this presentation, which is intended to depict the 2021 Draft Annual Plan.

Thus, while the Six Cities appreciate the CAISO's inclusion of the MIC Enhancements initiative in its Policy Initiatives Catalog, the Six Cities are disappointed to observe that the CAISO has made no plan to begin this initiative in the near term. In light of ongoing consideration of issues relating to imported Resource Adequacy ("RA") resources, including the ability of the CAISO to access and rely on import resources during times of possible scarcity, the CAISO should accelerate reevaluation of the MIC construct and revise its 2021 Annual Plan to include the MIC Enhancements initiative. As the Six Cities have previously stated, the CAISO can and should be doing more to reform the MIC framework to facilitate procurement of reliable imported RA resources. The limited availability of MIC currently constrains CAISO load-serving entities from obtaining additional imported RA supply that could be committed to the

CAISO and that the CAISO could rely upon for reliability, including during conditions such as those experienced by the CAISO system during the August heat storm event.

Submitted by,

Bonnie Blair
Meg McNaul
Thompson Coburn LLP
bblair@thompsoncoburn.com
mmcnaul@thompsoncoburn.com
202.585.6905
202.585.6940

Attorneys for the Cities of Anaheim, Azusa,
Banning, Colton, Pasadena, and Riverside,
California