



Stakeholder Comments Template

Energy Storage and Distributed Energy Resources Phase 4

This template has been created for submission of stakeholder comments on the Draft Final Proposal and associated May 27 meeting discussions, for the Energy Storage and Distributed Energy Resources (ESDER) Phase 4 initiative. The paper, stakeholder meeting presentation, and all information related to this initiative is located on the [initiative webpage](#).

Upon completion of this template, please submit it to initiativecomments@caiso.com.
Submissions are requested by close of business June 10, 2020.

Submitted by	Organization	Date Submitted
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Please provide your organization's general comments on the following issues and answers to specific requests.

1. Default Energy Bid for Storage Resources

Please provide your organization's feedback on the default energy bid proposal for storage resources, as described within the draft final proposal and discussed during the May 27 stakeholder meeting.

WPTF is generally supportive of storage having a default energy bid but remains apprehensive on how mitigation will work in practice in real-time across optimization horizons. For example, consider the circumstance where a resource has a spread offer it wants to achieve and it is charged under its unmitigated offers, but then discharged under its mitigated offers. WPTF is unclear how the CAISO will preserve the resource's spread value. The paper states the mitigation will still preserve arbitrage value, but given the different time horizons in real-time, WPTF does not understand how this is functionally possible under a dynamic mitigation check that varies each hour.

This concern is not inconsequential as many storage resources are specially being built in local pockets and it is likely they will experience local market power mitigation. WPTF encourages the CAISO to test the mitigation extensively prior to implementation and allow flexibility in the BPM to adjust parameters as needed. We also anticipate there will Bid Cost Recovery consequences that have not been discussed and will likely need to be immediately addressed once the DEB proposal is fully implemented.

2. End-of-Hour Charge Parameter(s)

Please provide your organization's feedback on the end-of-hour charge parameter(s) proposal, as described within the draft final proposal and discussed during the May 27 stakeholder meeting.

WPTF supports the CAISO's end-of-hour state of charge proposal; however, is concerned about the discussion surrounding the RA implications. The CAISO has communicated that these rules will be developed within the RA Enhancements stakeholder process, but as stated, they would significantly remove the usefulness of the end-of-hour state of charge.

WPTF views the stated potential RAIM/UCAP implications of using the state-of-charge as similar to the CAISO proposal that states a battery must ensure it has sufficient state-of-charge to meet their day-ahead schedule. Batteries are limited energy resources and the CAISO must decide whether they want a battery to meet its day-ahead schedule OR respond to real-time conditions. There will be many circumstances where real-time conditions may differ due to changing weather, load, outages, etc.

For example, a battery may have a discharge schedule over 4 hours in the day-ahead from hours 18-21. In real-time the optimization may show higher prices, indicating a greater need, in hours 17-20. If the battery responds to the high price in hour 17, it would be unable to meet its day-ahead schedule in hour 21. WPTF believes that one of the great benefits of storage is its flexibility and ability to respond in real-time. It seems odd for the CAISO to specifically prevent this use through tariff prohibitions and RA penalties.

3. **Variable-Output DR**

Please provide your organization's feedback on variable-output DR, as described within the draft final proposal and in the ELCC study discussed during the May 27 stakeholder meeting. Please explain your rationale and include examples if applicable.

WPTF has no comments at this time.

4. **Additional comments**

Please offer any other feedback your organization would like to provide from the straw proposal and topics discussed during the web meeting.