

Stakeholder Comments Template

Flexible Ramping Product Refinements Issue Paper/Straw Proposal

This template has been created for submission of stakeholder comments on the **Flexible Ramping Product (FRP) Refinements issue paper/straw proposal** that was posted on November 14, 2019. Information related to this initiative may be found on the initiative webpage at: <http://www.caiso.com/StakeholderProcesses/Flexible-ramping-product-refinements>.

Upon completion of this template, please submit it to initiativecomments@caiso.com by close of business on December 5, 2019.

Submitted by	Organization	Date Submitted
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Please provide your organization's comments on the following topics as discussed in the paper/proposal, including your positions on the proposed solutions (i.e., support, support with caveats, oppose, oppose with caveats). When applicable, please provide detailed examples to explain your organization's positions.

1. Proxy demand response eligibility (section 2):

WPTF is supportive of the CAISO's proposal not to award Flex-Ramp Product (FRP) to Proxy Demand Response (PDR) resources that cannot respond to 5-minute dispatch. On the call, the CAISO noted that the default setting for PDR resources is 5-minute dispatchable; this means the CAISO has to set up a process to ensure all resources that have not proactively changed the default setting are in fact 5-minute dispatchable. WPTF asks that the CAISO continue with the proposed BPM process as planned but consider through this stakeholder process changing the default setting from 5-minute to 60-minute dispatchable.

WPTF requests that the CAISO clarify the proposed treatment of Reliability Demand Response Resources (RDRR). It is our understanding that an RDRR is required to bid within 95% of the bid cap, and that those bids are included in the supply stack when the CAISO has a system or local emergency. If this is the case, we request the CAISO confirm that RDRR are not eligible to receive FRP awards.

2. Ramp management between fifteen minute market and real-time dispatch (section 3):

WPTF supports the continuation of these discussions through the established Stakeholder Process prior to initiating changes to the BPM.

3. Minimum FRP requirement for CAISO (section 4):

WPTF supports the continuation of these discussions through the established Stakeholder Process prior to initiating changes to the BPM. This will also allow the CAISO to conduct and present any analysis used to help inform what and how it plans to set the minimum FRP requirement level.

4. Deliverability enhancement (section 5 – 5.2):

- **Zonal vs. nodal procurement.**

Please provide comments on both pros/cons discussed in the paper.

WPTF appreciates the CAISO's delineation of the pros and cons of nodal and zonal procurement of FRP and recognition that whatever methodology is implemented for the day-ahead imbalance reserve product is aligned with the FRP procurement. Thus, WPTF strongly recommends that the CAISO consider the policy drivers in the Day-Ahead Market Enhancements initiative when weighing these alternatives. It would also be beneficial to fold into the day-ahead enhancements discussion the zonal or nodal implications of FRP procurement such that both policy processes are informed of the other and it becomes more of a joint discussion and decision. It would be unfortunate for the decision to be made in one policy process and thus force the other policy process to adopt the same procurement method without full consideration of one another.

5. EIM Governing Body classification (section 6.2):

No comment.

6. Additional comments:

WPTF strongly advocates that discussion of these topics, even those that will likely result in just BPM changes, continue within the established CAISO

Stakeholder Process until a final proposal is developed. At that time, they can move over to proposed BPM language.

Circumventing the Stakeholder Process and moving prematurely to the BPM change process stifles collaboration and stakeholders' ability to effectively engage with the CAISO staff on these important issues.

Lastly, WPTF asks that the CAISO conduct a more holistic review of the FRP and ensure its designed in such a way as to work effectively and efficiently with the day-ahead imbalance reserve product.