

Stakeholder Comments Template

Hybrid Resources Initiative: Straw Proposal

This template has been created for submission of stakeholder comments on the **Hybrid Resources Initiative**, **Revised Straw Proposal** that was held on December 17, 2019. The meeting material and other information related to this initiative may be found on the initiative webpage at:

http://www.caiso.com/informed/Pages/StakeholderProcesses/HybridResources.aspx

Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on January 14, 2019.

Submitted by	Organization	Date Submitted
Jin Noh (510-665-7811 x109)	California Energy Storage Alliance (CESA)	January 14, 2020

Please provide your organization's comments on the following topics and indicate your orginzation'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. Terms and Defintions

Please provide your organization's feedback on the proposed terminology and defintions as described in the revised straw proposal.

CESA supports the modified terms and definitions in the Revised Straw Proposal as they offer further clarifications as compared to the Straw Proposal.

2. Forecasting

Please provide your organization's feedback on the forecasting topic as described in the straw proposal.

CESA appreciates the CAISO's responsiveness to feedback on the Straw Proposal to include more details on strategic forecasting concerns, the option to leverage the CAISO's forecasting tools, and the more dynamic incorporation of the variable energy resource (VER) self-provided forecast. Each of these changes represent incremental

improvements on the Straw Proposal, and as such, CESA supports the Revised Straw Proposal.

3. Markets and Systems

Please provide your organization's feedback on the markets and systems topic as described in the revised straw proposal.

CESA seeks further clarification on the proposed interim "scaled-down energy-only interconnection constraint" for co-located projects and how this would mitigate concerns with the stranded capacity issue. CESA continues to favor a controls and limiting scheme approach to addressing this issue but recognizes that the CAISO does not believe such a solution is implementable at this time. However, the interim energy-only constraint solution requires further detail. For example, CESA is unclear on whether it would allow hybrid resource components to exceed its Master File limits despite being within physical point of interconnection limits. Before CESA can provide its position and/or feedback on the interim solution, CESA seeks to better understand the CAISO's proposal.

4. Ancillary Services

Please provide your organization's feedback on the ancillary services topic as described in the revised straw proposal.

CESA supports the Revised Straw Proposal on the Ancillary Service topics.

5. Metering and Telemetry

Please provide your organization's feedback on the metering and telemetry topic as described in the revised straw proposal.

CESA supports the Revised Straw Proposal on the metering and telemetry topics.

6. Resource Adequacy

Please provide your organization's position on the Resource Adequacy topic as described in the revised straw proposal.

CESA has concerns with the Resource Adequacy (RA) and must-offer obligation (MOO) related aspects of the Revised Straw Proposal, which takes cues from the California Public Utilities Commission (CPUC) Proposed Decision (PD) that proposes to adopt a "greater-of" interim methodology for the capacity value of hybrid resources under a single resource ID and with operational restrictions. While understanding that the CAISO is deferring to and seeking to align with the CPUC on qualifying capacity (QC) methodologies, CESA is concerned that the MOO rules will be defaulted to the component of the hybrid resource that maintains its QC as the greater of the hybrid resource components.

CESA disagrees with whether a hybrid resource should be classified as "VER driven" or "storage driven" based on this greater-of methodology, regardless of the market participation model chosen by the resource operator. The greater-of methodology makes the generator versus non-generator resource (NGR) participation model decision for hybrid resources even though they would be better optimized under a different model. Overall, CESA has major concerns with the greater-of interim methodology and believes that the MOO rules applicable to the hybrid resource should depend on the resource participation model chosen by the scheduling coordinator.

Additional comments

Please offer any other feedback your organization would like to provide on the Hybrid Resources Initiative.

CESA has no additional comment at this time, and we appreciate the CAISO's collaboration with CESA and stakeholders in this initiative.