Comments of OhmConnect, Inc.
Energy Storage and Distributed Energy Resources Phase 3 Straw Proposal

Submitted by	Company	Date Submitted
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OhmConnect, Inc. (OhmConnect) respectfully submits the following comments in the stakeholder process for the California Independent System Operator's (CAISO) Energy Storage and Distributed Energy Resources (ESDER) Phase 3 initiative February 15, 2018 Straw Proposal.

OhmConnect generally supports the four areas of demand response enhancements the CAISO has determined to be within the scope of this initiative. In these comments, OhmConnect seeks clarifications or actions regarding three issues:

1. Hourly block "intertie-like" bidding for PDRs in the RTM;
2. Removal of the one-LSE-per-PDR requirement; and
3. Storage-only load shift product.

1. CAISO should clarify that under the proposed hourly block "intertie-like" bidding option, PDRs would submit economic bids rather than self-schedules into the RTM.

Regarding the proposed hourly block "intertie-like" bidding option for PDRs in the RTM, the Proposal states (on page 9): "the scheduling coordinator (SC) submits *self-schedules* fixed for the hour and [...] settled at the four 15-minute prices over the hour" (emphasis added). OhmConnect believes that under this option the SC would in fact submit *economic bids* into the RTM – which, if they are economic in the HASP, would be passed as self-schedules to the four FMM runs for the operating hour. This accords with the process for RTM bidding at the interties outlined in the CAISO's October 4, 2017 presentation at the CAISO-CPUC Joint Workshop on Slow Response Local Capacity Resource Assessment (referenced in footnote 6 of the Proposal).[1] OhmConnect requests that the CAISO provide this clarification in its subsequent ESDER 3 Proposal.

2. CAISO should strive to relax the one-LSE-per PDR requirement as soon as possible.

As OhmConnect has noted in prior comments in the ESDER 3 initiative, the CAISO's current one-LSE-per-PDR requirement presents challenges to non-utility DRPs as retail electric customers migrate from utility service to CCA service. As it happens, PG&E recently notified DRPs of impending CCA migration activity in its territory, much of which is anticipated to

[1] See CAISO workshop presentation, page 55, accessible at: http://www.caiso.com/Documents/Presentation_JointISO_CPUCWorkshopSlowResponseLocalCapacityResourceAssessment_Oct42017.pdf.

occur during the summer of 2018 – i.e. the months of greatest importance to DRPs participating in the CPUC's 2018-2019 DRAM pilot. While stakeholders generally support removing the one-LSE-per-PDR requirement (as well as the DLA), OhmConnect recognizes this will entail both tariff changes and systems enhancements that may not be feasible during 2018. OhmConnect therefore requests that the CAISO consider potential interim means of relaxing this requirement (e.g. a limited tariff waiver) to minimize disruptions to DRPs' market activities caused by customer migrations to CCAs.

3. The initial load shift product for BTM storage should be inherently adaptable to non-storage technologies and customers in the future.

OhmConnect is disappointed by the CAISO's decision to limit initial development of a load shift product to BTM storage, but will endeavor to identify other candidate technologies and customer types via the CPUC's Load Shift Working Group (in which the CAISO is also a participant). It is OhmConnect's understanding that, through the ESDER 3 initiative, the CAISO seeks to develop a minimum viable product (MVP) for load shift that can be expanded beyond BTM storage in the future. However, the Proposal's description of this MVP posits design features that may not be applicable to non-storage technologies and customer types; for example, the Proposal states (on page 14): "Although the product will fall under existing demand response policy provisions under the PDR participation model, the product will discriminately utilize available functionalities from the non-generator resource (NGR) model to bid and be dispatched for both load consumption (charging) and generation (discharging)". OhmConnect asks that the CAISO take care to ensure that the load shift MVP developed in ESDER 3 is readily adaptable to non-storage uses in the future, so that stakeholders will not have to start from square one to develop an expanded load shift product.