



**CAISO's Frequency Response Phase 2  
Public Generating Pool Comments  
January 11<sup>th</sup>, 2017**

The Public Generating Pool (PGP) represents ten consumer-owned utilities in Oregon and Washington, three of which own and operate Balancing Authority Areas (BAA)s. PGP appreciates the opportunity to comment on the California ISO's Frequency Response Phase 2 Issue Paper dated December 15, 2016.

In the CAISO's Frequency Response Phase 1 initiative, the ISO filed tariff provisions to allow for procurement of Transferred Frequency Response. These annual contracts to allow a transfer of frequency response performance between BAAs have allowed the CAISO to ensure compliance with NERC Reliability Standard BAL-003-1 for 2017. In this second phase of the Frequency Response initiative, the ISO seeks to examine a market structure for primary frequency response procurement and compensation. PGP believes that as the ISO seeks to design a primary frequency response procurement mechanism, the ISO should include its current option to procure Transferred Frequency Response from external BAAs. PGP requests that procurement of Transferred Frequency Response remain an option for the ISO to meet BAL-003-1 compliance going forward.