



# Reliability Demand Response Resource Bidding Enhancements: Track 2 *Final Proposal*

Anja Gilbert  
Policy Development

April 18, 2022

# Agenda

Time	Topic	Presenter
1:00-1:05	Welcome and Introduction	Brenda Corona
1:05-1:30	Infeasible Dispatch and Discrete RDRR Registration	Anja Gilbert
1:30-1:35	WEIM Governing Body Role	Anja Gilbert
1:35-1:55	Tariff Language	Bill Weaver
1:55-2:00	Next Steps	Brenda Corona

# CAISO Policy Initiative Stakeholder Process

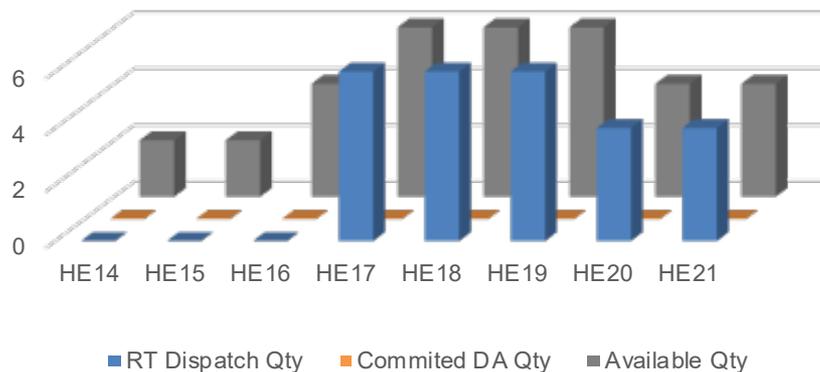


# TRACK 2: INFEASIBLE DISPATCH PMIN RE-RATE

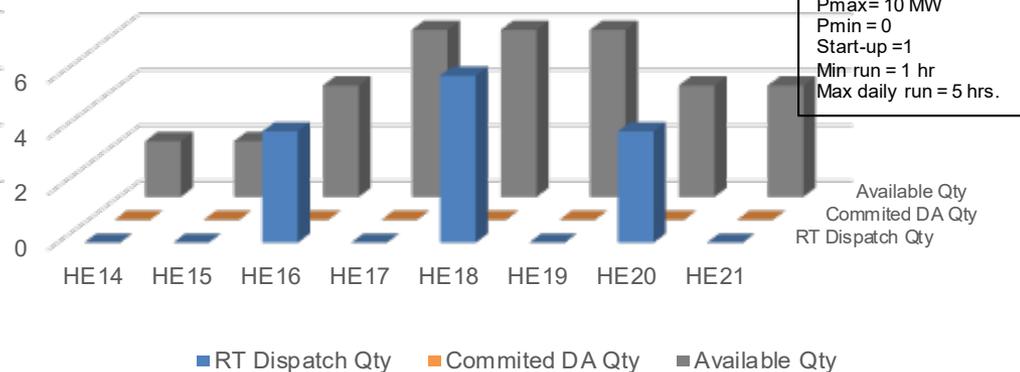
# Background: Real Time RDRR Continuous or Continuous Dispatch

- In real time RDRRs can be dispatched either continuously or non-continuously (also referred to as “infeasible” by market participants)
- In general, a resource operating at zero will be considered on-line, even at zero, unless it is at zero for the entire period

Continuous dispatch in real time



Non-continuous dispatch in real-time



# Final Proposal

- The CAISO continues to propose to fix the infeasible dispatch issue in the optimization for discrete RDRR resources by:
  1. Setting the Pmin to a value just below the upper economic limit, using existing Pmin-rerate functionality
  2. Adding the value (bid price)\*(economic limit) to the existing MLC

This will enable the market to commit discrete RDRR, when RDRR is activated, like a generator with a non-zero Pmin

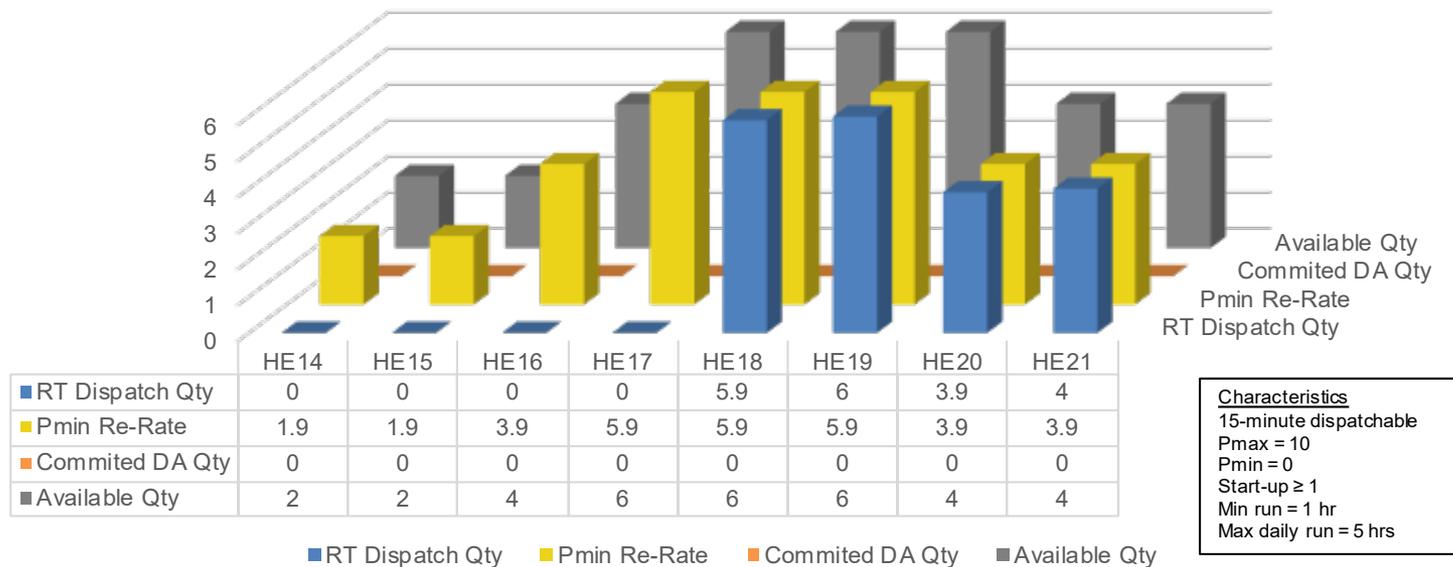
- Pmin re-rate and MLC for pre-qualification of bid cost recovery will be published
- Only 5-minute and 15-minute RDRR is eligible for BCR

# Example: Enabling contiguous dispatch

## Process:

- Re-rate the minimum operating level (Pmin) to below the upper economic limit
- Set the minimum load cost to  $(\$950/\text{MWh}) * (5.9\text{MW}) = \$5,605 / \text{hour}$

Proposed: Contiguous Dispatch from Pmin to Pmax



In HE 18 when the resource is dispatched to 5.9 MW, their minimum operating limit of 5.9 and minimum load cost of \$ 5,605 will be eligible for Bid Cost Recovery consideration.

## TRACK 2: RDRR DISCRETE CAP INCREASE

## Final Proposal:

- The CAISO is proposing to increase the discrete RDRR cap to 100 MW, conditional on the Pmin re-rate functionality implementation.
- Any resource larger than 100 MW may apply for an exception. These resources must submit an affidavit as a part of the Master File registration process that attests:
  - The RDRR resource is located at a single site;
  - The RDRR load cannot be safely or operationally split;
  - The RDRR does not have the ability to operate continuously based on the source of load providing curtailment; and
  - To the type of load or technology providing load curtailment during RDRR events.
- Approval of any exceptions will be conditional on the affidavit, any supporting information, and CAISO's assessment if there is potential for detrimental market or operational impacts associated with allowing these resources to register above the 100 MW cap.

# WEIM GOVERNING BODY ROLE

# The WEIM Governing Body will have joint authority on RDRR Bidding Enhancements

- This bifurcated initiative proposes changes the representation of RDRR in the CAISO's market.
- As WEIM balancing authority areas may use the RDRR model, assuming they have approval from their local regulatory authority and meet the requirements of RDRR participation, this initiative is under joint WEIM authority.
- Stakeholders are encouraged to submit a response to the WEIM classification of this initiative in their written comments.

# NEXT STEPS

# Timeline

Date	Milestone
4/18/2022	Stakeholder conference call on final proposal and draft tariff language
4/28/2022	Comments due on final proposal and draft tariff language
7/20/2022	Joint Session of WEIM Governing Body and CAISO Board

# Comments

- Stakeholders are asked to submit written comments by April 28, 2022 through the commenting tool.
- A comment template will be posted on the CAISO's initiative webpage here:  
<https://stakeholdercenter.caiso.com/StakeholderInitiatives/Reliability-demand-response-resource-bidding-enhancements>