

Stakeholder Comments Template

Pseudo-Ties of Shared Resources

This template has been created for submission of stakeholder comments on the Issue Paper and Straw Proposal, and the associated May 14 meeting discussion, for the Pseudo-Ties of Shared Resources initiative. The paper, stakeholder meeting presentation, and all information related to this initiative is located on the <u>initiative</u> webpage.

Upon completion of this template, please submit it to <u>initiativecomments@caiso.com</u>. Submissions are requested by close of business **May 29, 2020.**

| Submitted by | Organization | Date Submitted |
|---|--|----------------|
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Please provide your organization's general comments on the following issues and answers to specific requests.

The Sacramento Municipal Utility District (SMUD) provides the following supportive comments on the CAISO's Pseudo-Ties of Shared Resources Issue Paper and Straw Proposal, dated May 7, 2020 (Proposal). SMUD is an Energy Imbalance Market (EIM) participant through the Balancing Authority of Northern California (BANC) Balancing Authority (BA) and an active participant in the CAISO's day-ahead and real-time markets over the interties, and therefore has a direct interest in this initiative.

The Proposal identifies a number of resources in BAs that require configuration changes to support a pseudo-tie arrangement. One of these is Calpine's Sutter Energy Center, an approximately 550 MW combined cycle natural gas plant, who wishes to split the resource into two generating units for purposes of participation in the CAISO markets. The Sutter Energy Center is currently under a capacity and energy contract with SMUD, in which SMUD takes half of the resource's potential output. The resource is registered as one of SMUD's EIM Participating Resources that operates in the BANC BA Area. SMUD supports a split pseudo-tie arrangement to enable the Sutter Energy Center to provide its currently idle capacity and energy to the CAISO.

As the West, and particularly the Northwest and California, faces looming capacity constraints, adding more opportunities for resources (especially flexible, fast ramping ones) an opportunity to participate between BAs will be critical to meeting this shared challenge.

The Sutter Energy Center is just one example of various resources that would otherwise be underutilized without the split pseudo-tie arrangement. The CAISO's Proposal is an important initiative that will provide additional flexibility for entities to participate in markets and other power arrangements between BAs. Accordingly, SMUD supports the initiative, as well as the specific requirements outlined in the Proposal.

1. Metering and Telemetry Requirements

Please provide your organization's feedback on the metering and telemetry requirements, as described within the issue paper and straw proposal. Please explain your rationale and include examples if applicable.

SMUD supports the Proposal regarding metering and telemetry requirements.

2. Outage Management and Reporting Requirements

Please provide your organization's feedback on the outage management and reporting requirements, as described within the issue paper and straw proposal. Please explain your rationale and include examples if applicable.

SMUD supports the Proposal regarding outage management and reporting requirements.

3. Treatment of Minimum Load and Start-Up Costs

Please provide your organization's feedback on the proposed treatment of minimum load and start-up costs, as described within the issue paper and straw proposal. Please explain your rationale and include examples if applicable.

SMUD supports the Proposal regarding treatment of minimum load and start-up costs.

4. Additional comments

Please offer any other feedback your organization would like to provide on the issue paper and straw proposal.