

Stakeholder Comments Template

Flexible Ramping Product Refinements Issue Paper/Straw Proposal

This template has been created for submission of stakeholder comments on the **Flexible Ramping Product (FRP) Refinements issue paper/straw proposal** that was posted on November 14, 2019. Information related to this initiative may be found on the initiative webpage at: <http://www.caiso.com/StakeholderProcesses/Flexible-ramping-product-refinements>.

Upon completion of this template, please submit it to initiativecomments@caiso.com by close of business on December 5, 2019.

Submitted by	Organization	Date Submitted
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Please provide your organization's comments on the following topics as discussed in the paper/proposal, including your positions on the proposed solutions (i.e., support, support with caveats, oppose, oppose with caveats). When applicable, please provide detailed examples to explain your organization's positions.

1. Proxy demand response eligibility (section 2):

The Six Cities support this element of the CAISO's Straw Proposal.

2. Ramp management between fifteen minute market and real-time dispatch (section 3):

The Six Cities support this element of the CAISO's Straw Proposal, but question the CAISO's proposed timeline, which targets the fall of 2020 for implementation. Given the CAISO's conclusion that the necessary changes to address this issue can be adopted through BPM revisions, why is it necessary to wait until the fall of 2020 to implement the proposal?

3. Minimum FRP requirement for CAISO (section 4):

The Six Cities acknowledge the issues that the CAISO seeks to resolve through implementation of a minimum quantity of FRP procurement from resources within the CAISO Balancing Authority Area, but take no position on the CAISO's Straw Proposal for resolution of these issues at this time. It is not possible to fully evaluate the proposal to adopt CAISO-area FRP procurement requirements without any indication of what the proposed requirements will be and absent a description of the methodology the CAISO will use to set the requirements. Moreover, the CAISO has not provided any details concerning how it will evaluate application of possible intra-Balancing Authority Area FRP procurement obligations outside of the CAISO Balancing Authority Area. The Six Cities therefore urge the CAISO to issue a Revised Straw Proposal that contains these details.

4. Deliverability enhancement (section 5 – 5.2):

- **Zonal vs. nodal procurement.**

Please provide comments on both pros/cons discussed in the paper.

Preliminarily the Six Cities agree that adoption of a zonal approach could be a reasonable and efficient approach to resolving the concerns about deliverability of FRP resources, but the CAISO has not provided sufficient information to allow stakeholders to fully evaluate the pros and cons of the nodal procurement approach. In particular, given the CAISO's conclusions that nodal procurement would provide a more durable solution that would have improved pricing accuracy relative to a zonal approach, what are the specific implementation challenges that cause the CAISO to conclude the zonal approach may be preferable? What is the timeframe in which the nodal approach could be implemented, and what would be the cost of developing the necessary changes?

5. EIM Governing Body classification (section 6.2):

The Six Cities concur in the CAISO's proposed classification.

6. Additional comments:

N/A