

**Western Power Trading Forum on the CAISO's Flexible Ramping Product Refinements Revised  
Straw Proposal  
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### **The Western Power Trading Forum**

The Western Power Trading Forum (WPTF) is a California nonprofit, public benefit corporation. It is a broad-based membership organization dedicated to enhancing competition in Western electric markets while maintaining the current high level of system reliability. WPTF supports uniform rules and transparency to facilitate transactions among market participants. The membership of WPTF and the WPTF CAISO Committee responsible for providing these comments include CAISO and EIM entities, load serving entities, energy service providers, scheduling coordinators, generators, power marketers, financial institutions, and public utilities that are active participants in the California market, other regions in the West, and across the country.

### **Comments**

WPTF appreciates the opportunity to submit these comments on the CAISO's Flexible Ramping Product Refinements Revised Straw Proposal discussed on March 23 with stakeholders. WPTF commends the CAISO for identifying issues with the Flexible Ramping Product design through the Price Formation Analysis and is generally supportive of the proposed solutions. Thus, these comments remain brief and seek additional information from the CAISO with regards to the need for a minimum requirement post nodal procurement implementation and seek additional information to better understand the pricing implications of the proposed formulations for nodal procurement.

WPTF understands the need to enforce a minimum FRP requirement by BAA to provide more assurance that a BAA's flexible ramping needs are provided from internal resources within that BAA to address uncertainty should it arise. The CAISO has indicated that this feature would only be implemented for an interim period until nodal procurement is implemented. WPTF would like to better understand the interplay between how the nodal procurement will fully address the need for the minimum FRP requirement. For example, under the nodal procurement could it be the case that the market can still award FRP to imports/exports that are still transmission feasible but reduces the amount of FRP awarded to internal resources? Also, under the case where nodal procurement does address the need for having a minimum requirement, WPTF wonders if perhaps there should be a transition period before fading out the minimum FRP requirement. The CAISO did note that under its deployment scenarios there could be cases where the procured FRP is still not 100% deliverable. Until the CAISO and stakeholders fully understand the extent of FRP that is not deliverable, maybe maintaining a minimum FRP requirement could provide some type of safety net during the transition towards fully nodal procurement.

Regarding the nodal procurement proposal element, WPTF asks that in the next iteration the CAISO provide numerical examples of the proposal from procurement to pricing. While we appreciate the mathematical formulations, having examples to walk through as well allows stakeholders to better understand the interplay between the products, constraints, and ultimately price formation.

Thank you for consideration of these comments.