California ISO

Stakeholder Comments Template

Resource Adequacy Enhancements

This template has been created for submission of stakeholder comments on the Resource Adequacy Enhancements fourth revised straw proposal that was published on March 17, 2020. The proposal, stakeholder meeting presentation, and other information related to this initiative may be found on the initiative webpage at: http://www.caiso.com/StakeholderProcesses/Resource-Adequacy-Enhancements

Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on **April 7, 2020**.

Submitted by	Organization	Date Submitted
Greg Contreras Grant McDaniel	Wellhead Electric Company, Inc.	April 14, 2020

Please provide your organization's overall position on the RA Enhancements fourth revised straw proposal:

☐ Support
☐ Support w/ caveats
☒ Oppose
☐ Oppose w/ caveats
☐ No position

Please provide your organization's comments on the following issues and questions.

1. System Resource Adequacy

Please provide your organization's feedback on the System Resource Adequacy topic as described in section 4.1. Please explain your rationale and include examples if applicable.

Wellhead has become quite concerned that the current CAISO proposal is heavily discounting the current value of NQC. While we understand the need for the CAISO's planning to accommodate unforced outages, this initiative is wandering further and further away from the initial goal to maintain an NQC based system. The proposal does not accommodate existing contracts or allow for a transition period because it lacks an anchor to the NQC value. Given the significance of this issue, Wellhead cannot support this proposal as written.

Fourth Revised Straw Proposal Comments

    a. Please provide your organization's feedback on the System RA Showings and Sufficiency Testing topic as described in section 4.1.1. Please explain your rationale and include examples if applicable.

Wellhead supports the proposed sufficiency test at the portfolio level cascading to individual LSE testing should the portfolio fails.

    b. Please provide your organization's feedback on the Planned Outage Process Enhancements topic as described in section 4.1.2. Please explain your rationale and include examples if applicable.

Wellhead supports only Option 1. This option is ideal because of its simplicity and its likelihood to result in a more efficient planned outage process.

Wellhead does not support Option 2 because of its complexities and the uncertainty which would then follow. Resources would be de-incentivized to plan further ahead because they'd have no indication of the cost of replacement capacity. Each day's replacement price would be subject to market conditions and may fluctuate drastically (up to the maximum set).