

California Community Choice Association

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Contact

Shawn-Dai Linderman (shawndai@cal-cca.org)

1. Please share your organization's overall position on the revised draft final proposal:

SUPPORT

The California Community Choice Association (CalCCA) appreciates the opportunity to submit comments on the Revised Draft Final Proposal (Draft Proposal) in the Energy Imbalance Market (EIM) Resource Sufficiency Evaluation (RSE) Enhancements Initiative.^[1] CalCCA is supportive of the efforts of the California Independent System Operator (CAISO) to adopt enhancements to the RSE to ensure that the RSE is administered accurately and applied equitably. CalCCA supports the proposed two-phased approach of implementing enhancements developed with stakeholder input in Phase 1 on an expedited basis, and then evaluating the success of such enhancements in an upcoming Phase 2.

In particular, CalCCA supports the delay of any consideration of RSE failure consequences to Phase 2 -- after the implementation of the enhancements. As CalCCA has stated in its prior comments in this initiative, CalCCA opposes financial or additional operational consequences (beyond the current capping of incremental upward EIM transfers) for failing the RSE, as such consequences will have adverse impacts on the EIM, a voluntary market, by hindering EIM participation beyond what is necessary to avoid leaning.

EIM entities can voluntarily elect to participate in and make supply available to the EIM through the base scheduling process. EIM participants already face existing penalties for non-compliance with responsibilities in the Balancing Area Authority. In addition, the CAISO's market process clears supply with forecasted demand. To do this, resource adequacy resources have a must offer obligation to ensure sufficient offers are made available to the market to meet forecasted demand. Any financial consequences for failure of the RSE could dissuade entities from fully participating in the EIM to avoid the risk of incurring financial penalties.

In addition, operational consequences beyond the current capping of incremental upward EIM transfers to prevent leaning should not be considered. Any such operational consequences could exacerbate reliability challenges if a decrease in the transfer limit occurs when an entity is already experiencing reliability challenges.

^[1] *EIM Resource Sufficiency Evaluation Enhancements Phase 1, Revised Draft Final Proposal*, Dec. 16, 2021 (Draft Proposal).

2. Please share your organization's perspective regarding the proposal to suspend the inertia deviation uncertainty adder:

No comments at this time.

3. Please share your organization's perspective regarding the proposal to use its FERC authority to suspend the net-uncertainty adder in the capacity test:

No comments at this time.

4. Please share your organization's perspective regarding the proposal to remove any penalties intended to prevent misuse of the demand response functionality:

CalCCA supports further analysis (in Phase 2) of how to incorporate demand response into the RSE. The removal of any proposed enhancements to classify expected demand response participation through forecast adjustments, which could trigger the automatic application of the under-scheduling tests, is appropriate. CalCCA agrees with the CAISO that any consequences for potential misuse of demand response must only be developed after stakeholder input and further CAISO analysis. In general, CalCCA opposes any financial penalties or additional operational consequences outside of the current capping of incremental EIM transfers.

5. Please share your organization's perspective regarding the proposal to make configurable the amount of capacity that will be counted in the capacity test for resources who unavailable due to prior market decisions:

No comments at this time.

6. Please share your organization's perspective on its proposal to expand the operator actions that correspond to resource insufficiency:

No comments at this time.

7. Please share your organization's perspective regarding the proposal to expand the interchange reliability accounting, to account for both import and exports:

No comments at this time.

8. Please provide your organization's perspective on additional scope items, not already identified in the paper, that the ISO should include in phase 2 of the RSEE initiative:

No comments at this time.

9. Please provide any additional comments on the EIM RSE Enhancements initiative that have not previously been addressed:

No comments at this time.