



Stakeholder Comments Template

PDR - Resource Adequacy Clarifications Initiative

- Effective Flexible Capacity Value for Proxy Demand Resources Initiative Issue Paper and Straw Proposal
- Slow Demand Response RA Enhancements

This template has been created for submission of stakeholder comments on the **Proxy Demand Resource (PDR) – Resource Adequacy Clarifications Initiative** web conference that was held on April 3, 2020. The meeting material and other information related to this initiative may be found on the initiative webpage at: <http://www.caiso.com/StakeholderProcesses/Effective-Flexible-Capacity-Value-for-Proxy-Demand-Resources>

Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on April 17, 2020.

Submitted by	Organization	Date Submitted
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Please provide your organization’s comments on the following topics and indicate your organization’s position on the topics below (Support, Support with caveats, Oppose, or Oppose with caveats). Please provide examples and support for your positions in your responses, as applicable.

The California Efficiency + Demand Management Council (“Council”) appreciates this opportunity to provide comments in response to the CAISO’s Proxy Demand Resource – Resource Adequacy Clarifications initiative. As discussed further below, the Council is generally supportive of the Effective Flexible Capacity Value for Proxy Demand Resources Initiative Issue Paper and Straw Proposal, with some caveats. The Council is also supportive of the CAISO’s efforts regarding “slow” demand response (DR), despite its concerns about the CAISO’s interpretation of NERC requirements.

1. Removal of requirement to conduct tests to set Effective Flexible Capacity for PDRs

The Council supports the removal of the requirement to conduct tests to establish the EFC for each Proxy Demand Resource (PDR). The Council appreciates the CAISO's general position that test events should only be used when necessary and understands that the sheer number of PDRs in its system can make so many test events operationally challenging. The number of PDRs in the CAISO market will likely increase once new rules for third-party demand response (DR) are approved in the CPUC's Resource Adequacy proceeding.

2. Provision for unannounced testing at CAISO discretion

The Council supports this proposal with caveats. As the market operator, it is reasonable for the CAISO to retain the right to test PDRs as it finds necessary. However, it would be helpful for the CAISO to provide clarification on the circumstances under which it would choose to perform an unannounced test.

3. Clarification of 5-minute dispatchability and MOO for PDRs providing flexible resource adequacy.

The Council supports this proposal.

4. Slow Demand Response Update

The Council would like to preface its comments by saying that DR is a local, distributed resource, and is available to reduce demand in local capacity areas. As a general principle, the Council does not support the CAISO's requirement that certain local capacity resources must be dispatchable within 20 minutes. It continues to be unclear why the CAISO has chosen to interpret the associated NERC requirement differently than every other ISO/RTO in the country by requiring sub-30 minute dispatch capability of certain local capacity resources.

With this said, the Council continues to be supportive of the CAISO's efforts to integrate "slow" DR as a local capacity resource. In addition, the Council supports the CAISO's proposal to require that IOU DR resources be included in the IOUs' respective supply plans.

Additional comments

The Council has no additional comments at this time.