

Comments on Proposed Revision Request 1438

Submitted by	Company	Date Submitted
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The Council generally supports the CAISO's Proposed Revision Request ("PRR") 1438 to revise the Demand Response Business Practice Manual in that it seeks to account for demand response ("DR") resources of Western Energy Imbalance Market ("WEIM") Entities that do not conform with the CAISO's current DR products – Proxy Demand Resource ("PDR") and Reliability Demand Response Resource ("RDRR"). However, additional clarification is needed on 1) whether the non-participating DR considered under proposed Sections 17 or 18 must actually be dispatched to be counted either within the WEIM Entity's Resource Sufficiency Evaluation ("RSE") or Automated Load Forecasting System ("ALFS") for a given day, and 2) any locational constraints of WEIM Entities eligible to apply their non-participating DR.

1. The CAISO should clarify under what conditions non-participating DR is reflected in the Load Forecast.

Proposed Section 17 states that non-participating DR may be accounted for as reductions to the Load Forecast utilized in the Balancing, Feasibility, Capacity and Flexible Ramping RSE tests based on DR expected in each WEIM load forecast zone. Similarly, proposed Section 18 states that non-participating DR may be accounted for as additions or reductions to the Load Forecast utilized in the formation of the CAISO Forecast of EIM Demand if determined by CAISO Short-Term Forecasting to enhance its accuracy. In either instance, it is not 100% clear whether these reductions will only be made to either Load Forecast when the non-participating DR is certain to be dispatched, or also when it is simply made available for dispatch in real-time in the event it is needed. In addition, it is not clear under what conditions that CAISO's Short-Term Forecasting group would deem a specific DR program to be beneficial or non-beneficial to enhance the accuracy of the CAISO Forecast of EIM Demand. The Council requests that the CAISO address these two issues during the next BPM Change Management call and make any associated clarifying revisions to the Demand Response BPM as necessary.

2. Application of the proposed Demand Response BPM revisions should apply equally to WEIM and non-WEIM entities.

Under the proposed language, only WEIM Entities would have the capability to account for non-participating DR in the proposed manner. The Council presumes that this includes any entities located inside as well as outside the CAISO BAA. If intra-CAISO BAA entities are eligible, then the Council recommends this eligibility be expanded to all LSEs within the CAISO BAA. It is not clear why WEIM Entities located within the CAISO BAA should be able to reduce their Load Forecasts commensurate with its non-participating DR while non-WEIM Entities may not. Equitability across entity types is preferable and would better reflect the operational value of Load Modifying DR in the CAISO market.

The Council appreciates this opportunity to provide initial comments on PRR 1438.