



Stakeholder Comments

CAISO Stakeholder Catalog and Roadmap

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Submitted by	Company	Date Submitted
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CESA appreciates the opportunity to comment on the CAISO's Stakeholder Initiatives Catalog process for 2016. CESA applauds the CAISO for its completed and ongoing stakeholder initiatives aiming to enhance ISO market design, planning, and interconnection processes. CESA recognizes that CAISO has dedicated significant resources to its policy and market development and that CAISO does not currently have the bandwidth to rank and/or add discretionary initiatives in the 2016 catalog given the large number of FERC-mandated and non-discretionary initiatives schedule throughout the next year.

Despite the full docket for the 2016 Catalog, CESA is encouraged by the stakeholder initiatives currently underway in 2015 and set to continue throughout 2016, which CESA believes are critical to enabling efficient and fair wholesale market participation by energy storage resources. These initiatives include (in no particular order):

- Expanding Metering and Telemetry
- Flexible Ramping Product
- Energy Storage Interconnection
- Frequency Response Requirements
- Flexible RA Capacity and Must Offer Obligation Phase 2 (FRACMOO 2)
- Energy Storage and Aggregated Distributed Energy Resources (ESDER)

CESA plans to continue active participation during these initiatives and recommends that the CAISO advance with these initiatives as planned. At the same time, CESA recommends that the scope of these initiatives be expanded to include several critical energy storage-related issues that are closely tied to the market design and planning issues being discussed in these initiatives. For example, within ESDER Phase 2, the CAISO should also consider mechanisms for energy storage resources to provide and be compensated for frequency regulation within the Proxy Demand Response (PDR) and/or Non-generator Resource (NGR) models. Metering and settlement questions related to station power also remain unresolved and could be best addressed within ESDER Phase 2.

Furthermore, as the CPUC and FERC also grapple with similar interconnection and market participation rules related to energy storage, the CAISO must also actively coordinate these ongoing initiatives with those of other entities to ensure consistency across jurisdictions. For example, the CPUC's rulings on station power within the Energy Storage OIR Track 2 proceeding and the CPUC's consideration of sourcing and compensation mechanisms within the Integrated Demand-Side Resources (IDSR) proceeding could have significant impact on the stakeholders of the aforementioned CAISO initiatives. Therefore, the CAISO should maintain flexibility in addressing these outside developments within its ongoing and upcoming initiatives.

We appreciate CAISO's consideration of CESA's comments and look forward to working with the CAISO on ongoing and upcoming stakeholder initiatives.