

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Refinements, and Establish Annual Local and Flexible Procurement Obligations for the 2016 and 2017 Compliance Years.

Rulemaking 14-10-010
(Filed October 16, 2014)

**REPLY COMMENTS OF THE INDEPENDENT ENERGY
PRODUCERS ASSOCIATION ON THE WORKSHOP AND
PARTY PROPOSALS**

**INDEPENDENT ENERGY PRODUCERS
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As provided in the *Scoping Memo and Ruling of Assigned Commissioner and Administrative Law Judge*, issued on January 6, 2015, the Independent Energy Producers Association (IEP) respectfully offers its reply comments on the workshop on Resource Adequacy (RA) topics convened on February 9, 2015, and the proposals presented by the parties to this proceeding. These reply comments will address only the proposal of the California Independent System Operator (CAISO) to limit the monthly Local RA capacity showing under certain circumstances.

I. LIMITING LOCAL RA CAPACITY MONTHLY SHOWING TO THE LEVEL OF THE SYSTEM RA REQUIREMENT

In its opening comments, IEP withheld its support for the CAISO's proposal to limit the monthly Local RA capacity showing of Load-Serving Entities (LSEs) in months when the System RA reporting requirement is less than the monthly Local RA showing.

IEP has reviewed the comments of other parties on the CAISO's proposal and has studied this proposal further. Even after this further review, however, IEP has unanswered

questions about the full implications of this proposal and the potential secondary and tertiary effects of the CAISO's proposal.

As a result, IEP concludes the Commission should not take action at this time on the CAISO proposal to limit the monthly Local RA capacity showing of LSEs in months when the System RA reporting requirement is less than the monthly Local RA showing. It appears that other parties share IEP's uncertainty about the details and implications of the CAISO's proposal. During the next RA proceeding, it would be helpful if the CAISO would present to all parties a clear explanation of the final version of its proposal as it has evolved over the time since it was first presented at the workshop.

II. CONCLUSION

IEP respectfully requests the Commission and the Administrative Law Judge to consider these comments as they deliberate on the proposals for refinements to the Resource Adequacy program.

Respectfully submitted March 11, 2015, at San Francisco, California.

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