

**Informal Comments of the  
Alliance for Retail Energy Markets  
on 2014 RA Guide and Templates  
(R.11-10-023)**

The Alliance for Retail Energy Markets<sup>1</sup> (AReM) requests that the following points be addressed and/or clarified in the 2014 RA Guide and templates:

1. May an LSE rely on the Effective Flexible Capacity Calculations List posted on the CPUC's web site<sup>2</sup> as the basis for reporting procured flexible capacity? If that is correct, please specify this in the Guide in Section 8.2, p. 12. If not, please specify where an LSE may find the official list of Flexible RA Capacity to use in complying with the reporting requirements for 2014.
  
2. Does a resource only qualify as "flexible" and is therefore reportable if the LSE has a contract specifying that the resource will be bid into the CAISO markets between 5 a.m. and 10 p.m. as specified on p. 11 of the Guide? (These requirements are also specified in Appendix A of D.13-06-024.)
  - a. If that is correct, then an LSE will report **no flexible resources** on the Local/Flexible Template (Worksheet III) or the System Template (Worksheet I) unless the LSE has that specific bidding provision in its contract.
  - b. If that is correct and the LSE has RA contracts with resources identified as "flexible" in the Effective Flexible Capacity Calculations List, but with which the LSE does not have a contract specifying that the resource will be bid into the CAISO markets between 5 a.m. and 10 p.m., is the LSE still required to report these additional flexible resources to comply with Ordering Paragraph No. 6 of D.13-06-024, which requires an LSE to

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<sup>1</sup> AReM is a California non-profit mutual benefit corporation formed by electric service providers that are active in the California's direct access market. This filing represents the position of AReM, but not necessarily that of a particular member or any affiliates of its members with respect to the issues addressed herein.

<sup>2</sup> This information is posted at:

[http://www.cpuc.ca.gov/PUC/energy/Procurement/RA/ra\\_compliance\\_materials.htm](http://www.cpuc.ca.gov/PUC/energy/Procurement/RA/ra_compliance_materials.htm)

report “all of its committed flexible resources to meet the LSE’s flexible capacity procurement target for 2014.”<sup>3</sup>? If the LSE is required to report these additional flexible resources, please clarify where to provide that information on the templates.

3. On p. 11 of the Guide, it mentions that an LSE can be referred to enforcement decision for a “RA violation” for failure to comply with the reporting requirement. If the only flexible resources that qualify as reportable are those with contractual provisions specifying that the resource will be bid into the CAISO markets between 5 a.m. and 10 p.m. (as discussed in Question 2 above), then an LSE may report that it has zero such contracts with resources that meet those qualifications and nonetheless fulfill its reporting requirements pursuant to D.13-06-024. In that event, the LSE should not be subject to an “RA violation.” Please clarify in the Guide that the only LSE compliance obligation is to report the flexible capacity it has procured for 2014, even if the LSE reports “zero” such contracts.
4. On p. 11 of the Guide, it states that LSEs or their Scheduling Coordinators must “to the extent possible” submit bids into the CAISO’s markets for committed flexible resources. However, the Scheduling Coordinators for the ESPs do not submit bids for RA capacity, the RA supplier does. Please clarify that this rule applies to the RA supplier.

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<sup>3</sup> D.13-06-024, p. 69.