

Attachment 3

CAISO, Updated Flexible Capacity
Requirement, March 22, 2013

The ISO has updated the calculated 2014 flexible capacity requirement it presented at the resource adequacy workshop on Wednesday, March 20th. One issue raised by multiple parties has been the proper estimated mix of solar resources with regard to their ability to track the sun. Clearly, this will change over time as more facilities are constructed and added to the resource mix. Since the development of a flexible capacity requirement is new and likely to evolve over time, the ISO believes it is important to start with a set of generally excepted values and let the actual build out drive future calculations. Based on input from the Sierra Club and Vote Solar in comments and at the last workshop, and in alignment with the CPUC's 2010 LTPP environmentally constrained scenario, the ISO updated the solar profiles in its flexible capacity needs assessment to reflect an RPS solar project build-out that will be an aggregate of 20% tracking and 80% fixed-tilt resources. The impacts of this assessment on the 2014 flexible capacity requirement are compared in the table below and detailed in the data and updated PowerPoint slides posted on the ISO web site and FTP site.¹

In summary, the need for flexible capacity decreases by up to 598 megawatts in the off-peak months, but increases by up to 444 megawatts in the peak months. While this solar profile update changes values in the materials discussed by the parties during the March 20th workshop and serves to align the interests of concerned parties, the ISO believes this update in no way obviates the need for a 2014 CPUC flexible capacity procurement obligation.

2014 Flexible Capacity Requirement Difference using a 20% Tracking and 80% Fixed-tilt RPS Solar Profile

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014 Updated (MW)	9167	8584	8341	7113	5873	6189	6054	6824	6239	7304	8799	9648
2014 3/20/13 data (MW)	9354	8826	8939	7650	6316	5745	5641	6541	6117	7777	9309	10080
Diff	-187	-243	-598	-537	-443	444	413	283	122	-472	-511	-431

The ISO, CPUC and all parties will have an opportunity to re-examine the build-out of RPS resources year to year and adjust, as necessary, RPS profiles to reflect the most accurate and up-to-date flexible capacity procurement requirements in subsequent resource adequacy compliance years.

If you have questions about this update, please contact Karl Meeusen at kmeeusen@caiso.com

¹ Updated data and presentation can be found here: [http://www.caiso.com/Documents/R.11-10-023%20\(Order%20instituting%20rulemaking%20to%20oversee%20RA%20program\)](http://www.caiso.com/Documents/R.11-10-023%20(Order%20instituting%20rulemaking%20to%20oversee%20RA%20program))

FTP site for large data sets can be found at:

Link – <http://12.200.60.146:990>

Username – Cpucuser

Password – Y2o&56He