

## **APPENDIX D**

### **Resource Adequacy FAQ Sheet**

January 31, 2006

All Load-Serving Entities (LSEs)

Re: Frequently Asked Questions concerning yearly Resource Adequacy (RA) and Liquidated Damages (LD) filings.

In response to LSE questions, the Energy Division of the CPUC is issuing this list of Frequently Asked Questions to clarify the RA process. If one party has a question there is the likelihood that others have the same question. Rather than make any changes to the template files, these FAQs clarify some of the instructions. Future versions of the template or RA Guide may be updated to reflect these FAQs.

In addition, the Executive Director granted a motion to extend the filing date for the Resource Adequacy and Liquidated Damages templates. The new date is 10 business days after the final intertie allocation is released. The final intertie allocation was released on February 1, 2006 so the new filing date is February 16, 2006.

### **February 17, 2006 RA Filing**

File with the CPUC by Advice Letter:

1. Completed RA Reporting Workbook for June, July, August and September 2006;
2. Completed LD Contracts Workbook;

The filing must include hardcopies and a CD containing electronic filings of each workbook. Please submit files in word or excel format, not pdf. Each workbook must include a certification signed by an officer of the corporation.

### **Frequently asked questions and clarifications to the filing instructions:**

**1. Question:** What if I have more than one contract with the same facility? Maybe there is a baseload contract with a generator for part of the capacity, but also another capacity contract for the rest? How should I file that in the RA template, should I include all that information in one line with one contract ID?

*Answer:* Please list each separate contract on separate lines, consecutively in the RA template. The CAISO unit ID (column C) will remain the same, but the RA Capacity contract number (column G) will be different. Please list all information for each contract because functionally they are different contracts.

**2. Question:** What if I have one contract with a facility, or LD contract, that includes different components, for example 100 MW 7x24, and 15 MW 7x16? How should I file

that in the RA template, should I include all that information in one line with one contract ID?

*Answer: If a single resource contract has separate components that qualify in different resource categories, the contract should be entered in the RA Template in multiple lines. Using the example, one line should be completed using the 100 MW 7x24 component and a separate line should be completed using the 15 MW 7x16 component. Each line should include all information.*

**3. Question:** What does it mean in the instructions for Column H in worksheets I through VI of the RA template titled **Minimum Hours in Month**, where the directions refer to “during peak load hours?”

*“Minimum Hours in Month - The minimum number of hours in the RA month that the RA resource is contractually or physically available and capable of operating at its Qualifying Capacity during peak load hours to meet the LSE’s RA obligation.”*

*Answer: The minimum hours in a month are the minimum hours that a resource is available. For example a 5x4 contract is available for 80 hours a month. To count, those hours must be peak hours. A 5x4 contract that is available between 2 and 6 am would not deliver RA benefits. Different programs have different definitions of peak hours, so for this template peak hours are counted in accordance with program rules. For example, solar and wind resources define peak as noon to 6pm per D 05-10-042.*

**4. Question:** How do I list my LD contracts in the LD template so that my listing reflects the phase out percentage for this year? Does the LD template automatically adjust my listing to reflect 75% of peak load?

*Answer: The template will not do any calculations for you. Please list all LD contracts that you wish to count for Resource Adequacy in the LD Template. The contracts listed in the LD Template will be the base for establishing what contracts may count for RA. In the RA Template list the contracts that you wish to count for a specific RA period. In the RA Template the MW in the LD contracts should not exceed the limits established in the RA Decision d.05-10-042 (75% for 2006, 50% for 2007, and 25% for 2008).*

**5. Question:** Do firm import LD contracts signed after 10-27-2005 still count towards RA requirements, or are they subject to the same sunset date and phase out percentages as in-area LD contracts are pursuant to page 54 of ALJ Wetzell’s draft decision in R.04-04-003?

*Answer: Firm import LD contracts do not fall under the sunset and phase out provisions because they do not present the same deliverability and reliability issues as in-area LD contracts. Thus Firm import LD contracts with specific intertie agreements do not fall under the same phase out schedule.*

**6. Question:** What is the difference between CAISO resource ID number in Column C and the Resource Capacity contract ID in column G in Worksheets I, II, and IV in the RA Template?

*Resource ID in CAISO Master File – The CAISO-assigned Resource ID.*

*Resource Capacity Contract Number – LSE specified number that identifies the relevant contract(s). This information will be used to identify supporting documentation during compliance verification.*

*Answer: Column C, Resource ID in CAISO Master File is a standard ID name supplied for a particular unit from the CAISO Master File. Column G, Resource Capacity Contract Number, refers to the LSE's contract ID number. If there are two contracts with the same unit, then contract numbers (column G) would be different, but the CAISO Resource ID or CPUC LD contract number (Column C) would be the same. Please refer to Question 1 above.*

**7. Question:** Why are the sheets for 2007 and 2008 so different from 2006 in the LD template?

*Answer: The 2007 and 2008 sheets in the LD template contain errors. A revised LD Template is provided. The revised LD Template will still contain differences between 2006 and 2007/2008 to reflect the start of the program in June 2006. The specific change to the 2007/2008 sheets is the inclusion of a new column next to each monthly column titled **Minimum # of Hours** meant to capture the monthly contribution of each LD contract.*

**Please direct additional questions to either Robert Strauss ([rls@cpuc.ca.gov](mailto:rls@cpuc.ca.gov)) or Mike Jaske ([mjaske@energy.state.ca.us](mailto:mjaske@energy.state.ca.us)).**