



Department of Energy

Official File

Bonneville Power Administration
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Portland, Oregon 97208-3621

POWER SERVICES

March 10, 2021

In reply refer to: PT-5

To: Western Energy Imbalance Market Governing Body

SUBJECT: Summer 2021 Readiness

The Bonneville Power Administration (Bonneville) would like to express support for the CAISO's proposed changes to the Resource Sufficiency evaluation and our appreciation for CAISO's commitment to conduct a subsequent stakeholder process to address remaining resource sufficiency evaluation issues. We emphasize that having a resource sufficiency evaluation that ensures each EIM Entity and the CAISO balancing authority area have sufficient resources to operate reliably without "leaning" is a foundational design element of the EIM. As such, it is imperative that changes needed to ensure the resource sufficiency evaluation is accurate, effective, and equitably applied to all EIM Entities and the CAISO balancing authority area must be highly prioritized by the CAISO. We remain concerned that the changes proposed to date do not fully address the deficiencies that cause significant inaccuracies in the resource sufficiency evaluation results and we request addressing these deficiencies be highly prioritized in the upcoming resource sufficiency stakeholder initiative.

CAISO has affirmed the resource sufficiency evaluation did not work as intended stating that the ability for a balancing authority area to pass the bid range capacity test during emergency events indicates there are shortcomings in the design and/or implementation of the resource sufficiency evaluation. We believe the improvements CAISO has proposed to date are positive steps toward addressing some of these shortcomings. However, we observe that even with these improvements, the bid range capacity test results for intervals in which CAISO was declaring Energy Emergency Alerts Stage 2 and 3 still show thousands of MWs of available bid range capacity for the CAISO balancing authority area. It is our understanding, based on the NERC definitions for these types of Energy Emergency Alerts, that any balancing authority area would likely fail the resource sufficiency evaluation and the results would show zero or even negative available bid range capacity. We believe a key objective of the resource sufficiency evaluation should be to accurately reflect the operating capability of each balancing authority area being evaluated. A crosswalk of available capacity shown for the CAISO balancing authority area during intervals in which the CAISO was declaring Energy Emergency Alerts Stage 2 and 3 would allow proper diagnosis and prioritization of further enhancements to the resource sufficiency evaluation. We request this crosswalk be provided at the start of the subsequent resource sufficiency stakeholder process.

Additionally, we request greater transparency and ongoing review of the resource sufficiency evaluation with routine reports of resource sufficiency evaluation results and performance to the EIM Governing Body. As the resource sufficiency evaluation is intended to promote reliability and ensure equity amongst EIM participants, having transparent and regular monitoring of the resource sufficiency

evaluation results and performance will be key to ensuring continuous improvements to the evaluation going forward.

Bonneville remains committed to working toward accurate, effective, and equitable solutions for the resource sufficiency evaluation. We appreciate your consideration of these comments.

Sincerely,

A handwritten signature in blue ink that reads "Suzanne Cooper". The signature is written in a cursive style with a large, stylized initial 'S'.

Suzanne Cooper
Vice President Bulk Marketing
Bonneville Power Administration