

**COMMENTS OF THE CALIFORNIA WIND ENERGY ASSOCIATION  
ON PROPOSED CAISO-BPA INTRA-HOUR SCHEDULING PILOT PROGRAM  
February 8<sup>th</sup>, 2010**

The California Wind Energy Association (CalWEA) appreciates the opportunity to submit these comments on the proposed joint CAISO-BPA pilot program for intra-hour scheduling on the California-Oregon Intertie (COI). The proposed program was included in a January 27<sup>th</sup> Discussion Paper for the current CAISO Dynamic Transfer initiative and first discussed on a February 1<sup>st</sup> conference call; it would focus on wind-energy exports from BPA's area into the CAISO.

**Proposed details of the pilot:** Our understanding is that the CAISO and BPA would include 1-3 participants in the program that:

- ***Have control over the output of wind projects in the BPA BAA*** – up to 200 MW total;
- ***Are certified Scheduling Coordinators*** in the CAISO; and
- ***Are willing to execute a pilot participant agreement*** with the ISO and BPA. The agreement would likely require participants to:
  - Participate for at least one year, starting around October 1<sup>st</sup>, 2011, for some minimum hours each month;
  - Schedule some minimum level of plant output for export to the CAISO;
  - Adjust the schedule every half hour when expected plant output is expected to deviate from the current schedule; and

The Discussion Paper states that qualifying companies interested in participating should send an email by January 31<sup>st</sup> to [windoperations@bpa.gov](mailto:windoperations@bpa.gov); the CAISO and BPA “will select participants from the qualifying companies that respond to the posting with further details on the pilot.”

**Comments on proposed pilot:** CalWEA's position on the proposed pilot are as follows:

- **Support for intra-hour scheduling:** CalWEA strongly supports implementation of intra-hour scheduling, for internal CAISO BAA resources and imports. More granular scheduling of Variable Energy Resources (VERs) in particular, especially if combined with the ability to submit those schedules closer to real time, should minimize imbalances from forward schedules, thus reducing:
  - **Operational impacts** from those imbalances on the BAA responsible for managing them;
  - **The need for integration resources** to mitigate those impacts, and the cost of such resources; and
  - **Financial consequences** to generators or scheduling entities.

The recent FERC NOPR on VER scheduling and settlements indicates that FERC is likely to mandate intra-hour scheduling generally for VERs. Regardless of any such mandate, however, the benefits listed above would accrue from intra-hour scheduling of resources inside the CAISO BAA as well.

Thus, CalWEA encourages the CAISO to implement intra-hour scheduling for internal CAISO-area VERs as part of the Renewables Integration initiative (upcoming Phase II). There would be no need for a pilot program, since internal resources would have no complications with e-tags and similar issues, as with imports, so the change should be made after appropriate design work and software testing.

- **Participant selection for the pilot:** The Discussion Paper was posted on the afternoon of January 27<sup>th</sup>; the deadline for expressing interest was just 3 days later, before the conference call was even held. Moreover, there was no mention on the conference call that the deadline had already passed.

To be fair, the CAISO and BPA should: (1) reopen the application process to give potential participants a more reasonable time to respond; and (2) issue the selection criteria they will use if more than 200 MW of generation projects are volunteered for participation.

- **Other BPA changes that would assist the pilot:** As part of the set-up for the pilot, BPA should consider changes in its transmission reservation and release process that would facilitate hourly and sub-hourly firm transmission reservations, particularly in the hour-ahead timeframe. Actual or de facto requirements for Day Ahead reservations are not flexible enough for VER scheduling generally.