



Evaluation Report of Load Serving Entities' Compliance with 2016 Local and System Resource Adequacy Requirements (November 18, 2015)

The ISO has reviewed the aggregate 2016 annual Resource Adequacy (RA) Plans of load serving entities (LSEs) received as of November 1, 2015 and done an evaluation to assess compliance with annual Local and System Resource Adequacy requirements. In addition, the ISO has done an evaluation of the effectiveness of the Resource Adequacy Resources and RMR resources that have been procured by LSEs to assess compliance in Local Capacity Areas with the Local Capacity Technical Study criteria as required by Tariff Sections 43.2.1.1 and 43.2.2. The ISO's evaluation has identified individual LSE and collective capacity deficiencies in several Local Capacity Areas in the PG&E and SCE TAC Areas. The ISO's evaluation shows aggregate compliance with the LCR criteria in the SDG&E TAC Area. A deficiency occurs when the aggregate portfolio of Resource Adequacy Resources that has been procured, including RMR resources, fails to satisfy the adopted reliability criteria in a Local Capacity Area. The tariff provides an opportunity for LSEs to cure individual or collective deficiencies before the ISO can engage in any backstop procurement.

The ISO notes that it cannot require the deficient LSEs to buy from the units specified below, which are needed to satisfy LCR criteria. LSEs (including those deficient at this time) can buy from any resources with a local attribute in the TAC Area. However, to the extent that the aggregate LSE showings do not comprise the right mix of resources that meet the LCR criteria and ISO effectiveness needs, a deficiency may exist that would cause the ISO to procure individual and/or collective backstop capacity.

System Resource Adequacy requirements

The ISO's evaluation shows aggregate compliance with the year ahead RA requirement (90% of the monthly resource adequacy requirement) for the five summer months.

Local Resource Adequacy requirements

LSEs year ahead RA showings evaluation was performed with the same assumptions as the 2016 LCR report that was used to give LSEs their LCR allocations namely the LCR report posted April 30, 2015 <http://www.caiso.com/Documents/Final2016LocalCapacityTechnicalReportApr302015.pdf> . The LSEs and suppliers are subject to the RA replacement requirement and are subject to ISO capacity procurement mechanism back stop authority as approved by FERC.

SDG&E TAC Area

The ISO's evaluation shows aggregate compliance with the LCR criteria.

PG&E TAC Area

1. At this time, individual LSE deficiencies in the PG&E TAC Area total 87.71 MW.
2. Based on the final showings received the ISO projects that there could be a potential collective deficiency ranging from a minimum deficiency of 213.95 MW to a maximum deficiency of 301.66 MW.

For Sierra Local Area, an additional 132.97 MW needs to be procured from the following resources in order to satisfy the LCR criteria:

Mkt./Physical Res. ID	Physical Resource Name	NQC (MW)	Available (MW)	LCR Need
DAVIS_1_SOLAR1	Grasslands 3	0.82	0.82	South of Palermo
DAVIS_1_SOLAR2	Grasslands 4	0.88	0.88	South of Palermo
DAVIS_7_MNMETH	MM Yolo Power LLC	2.06	2.06	South of Palermo
LODIEC_2_PL1X2	Lodi Energy Center	280.00	96.57	South of Palermo
STIGCT_2_LODI	Lodi STIG	49.50	27.47	South of Palermo
PACORO_6_UNIT	Ogden Power Pacific, Inc.	5.17	5.17	Drum-Rio Oso

For Stockton Local Area, an additional 13.85 MW needs to be procured from the following resources in order to satisfy the LCR criteria:

Mkt./Physical Res. ID	Physical Resource Name	NQC (MW)	Available (MW)	LCR Need
CAMCHE_1_PL1X3	Camanche Units 1, 2 and 3	1.24	0.24	Tesla-Bellota
CURIS_1_QF	Small QF Aggregation-Merced	0.33	0.33	Tesla-Bellota
STNRES_1_UNIT	Stanislaus Waste Energy Co.	12.19	12.19	Tesla-Bellota
VLYHOM_7_SSJID	Woodward	1.09	1.09	Tesla-Bellota

For Bay Area Local Area, an additional 108.20 MW needs to be procured from the following resources in order to satisfy the LCR criteria:

Mkt./Physical Res. ID	Physical Resource Name	NQC (MW)	Available (MW)	LCR Need
CONTAN_1_UNIT	Graphic Packaging Cogen	27.70	27.70	San Jose
CSCGNR_1_UNIT 2	Gianera Peaker Unit 2	24.00	0.50	San Jose
DUANE_1_PL1X3	Donald Von Raesfeld Project	147.80	80.00	San Jose

For Fresno Local Area, an additional 23.00 MW needs to be procured from the following resources in order to satisfy the LCR criteria:

Mkt./Physical Res. ID	Physical Resource Name	NQC (MW)	Available (MW)	LCR Need
CRNEVL_6_CRNVA	Crane Valley	0.71	0.71	Borden
CRNEVL_6_SJQN 2	San Joaquin 2	3.20	3.20	Borden
CRNEVL_6_SJQN 3	San Joaquin 3	4.20	4.20	Borden
FRIANT_6_UNITS	Friant Dam	7.81	7.81	Borden
WISHON_6_UNITS	Wishon/San Joaquin #1	18.40	18.40	Borden

Also for Fresno Local Area, an additional 9.87 MW needs to be procured from the following resources in order to satisfy the LCR criteria:

Mkt./Physical Res. ID	Physical Resource Name	NQC (MW)	Available (MW)	LCR Need
DINUBA_6_UNIT	Dinuba Generation Project	9.87	9.87	Reedley

For Kern Local Area, an additional 13.77 MW needs to be procured from the following resources in order to satisfy the LCR criteria:

Mkt./Physical Res. ID	Physical Resource Name	NQC (MW)	Available (MW)	LCR Need
OILDAL_1_UNIT 1	Oildale Energy LLC	38.67	38.67	Kern Oil

ULTOGL_1_POSEO	Rio Bravo Poso	28.14	28.14	Kern Oil
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SCE TAC Area

1. At this time, individual LSE deficiencies in the SCE TAC Area total 128.98 MW.
2. Based on the final showings received the ISO projects that there could be a potential collective deficiency ranging from a minimum deficiency of 33.02 MW to a maximum deficiency of 162.00 MW.

For LA Basin Local Area, an additional 120.00 MW needs to be procured from the following resources in order to satisfy the LCR criteria:

Mkt./Physical Res. ID	Physical Resource Name	NQC (MW)	Available (MW)	LCR Need
CABZON_1_WINDA1	Cabazon Wind Project	5.98	5.98	Valley-Devers
DEVERS_1_QF	Devers QFs	16.50	0.24	Valley-Devers
GARNET_1_UNITS	Garnet Green Power Proj.	1.37	1.37	Valley-Devers
INDIGO_1_UNIT 3	Indigo Peaker Unit 3	42.00	2.00	Valley-Devers
INLDEM_5_UNIT 1	Inland Empire EC, Unit 1	335.00	18.00	Valley-Devers
INLDEM_5_UNIT 2	Inland Empire EC, Unit 2	335.00	335.00	Valley-Devers
PANSEA_1_PANARO	Mesa Wind Project	0.26	0.26	Valley-Devers
SANWD_1_QF	San Gorgonio Wind Farm	1.75	1.75	Valley-Devers
VALLEY_5_REDMTN	MWD Red Mountain Hydro	1.52	1.52	Valley-Devers
VALLEY_5_SOLAR2	SunE DB APNL, LLC	14.97	14.97	Valley-Devers
WHTWTR_1_WINDA1	Whitewater Hill Wind Proj.	3.97	3.97	Valley-Devers

For Big Creek/Ventura Local Area, an additional 42.00 MW needs to be procured from the following resources in order to satisfy the LCR criteria:

Mkt./Physical Res. ID	Physical Resource Name	NQC (MW)	Available (MW)	LCR Need
GOLETA_6_ELLWOD	Ellwood Energy Support	54.00	54.00	Santa Clara
GOLETA_6_GAVOTA	Point Arguello Pipeline Co.	0.68	0.68	Santa Clara
MNDALY_7_UNIT 1	Mandalay Gen Sta. Unit 1	215.00	215.00	Santa Clara
MNDALY_7_UNIT 2	Mandalay Gen Sta. Unit 2	215.29	215.29	Santa Clara
MNDALY_7_UNIT 3	Mandalay Gen Sta. Unit 3	130.00	130.00	Santa Clara

Process for curing a Collective Deficiency:

For purposes of curing a collective deficiency, a Scheduling Coordinator for an LSE may submit a revised annual Resource Adequacy Plan by **December 18, 2015**, to demonstrate the procurement of additional Local Capacity Area Resources consistent with this notice in order to resolve the collective deficiency as provided by Tariff Section 43.2.2.1. Any Scheduling Coordinator for an LSE that provides such additional Local Capacity Area Resources consistent with this market notice shall have its share of any backstop procurement costs reduced on a proportionate basis in accordance with the Tariff. If the full quantity of capacity in the deficient Local Capacity Areas is not reported to the ISO under revised annual Resource Adequacy Plans, the ISO may engage in backstop procurement sufficient to alleviate the collective deficiency.