**PRR 1181 – Master File Changes (BPM revision\_v10022019)**

Submitted by Mark Smith, Calpine

Calpine appreciates the changes made to the initial draft, but has continuing concerns with the revisions.

First, we appreciate the two-step approach of the revised PRR, first offering a description of the changes and followed, upon request, with more detailed supporting information. However, we stress the initial points we made about any supporting documentation that CAISO may request, which appears to indicate, based on the latest BPM revision, that Master File changes would still be subject to CAISO determination for its “appropriateness”, otherwise, may result to the rejection. Below are issues with the CAISO’s proposed approach, which we previously noted that may not be readily resolved by a generator despite its best efforts:

* In many cases, the characteristics included in a Master File may not be specifically identified in manufacturer specifications, recommendations or operating manuals. There may, and in many cases are not “page numbers or section numbers” to reference for a specific Master File operating parameter.
* Some generators are decades old, have idiosyncratic operations and OEM guidance is irrelevant, outdated or not useful to the operating profile demanded by current conditions.
* Even if OEM manuals are helpful, most contain information that the OEM considers as intellectual property and are not permitted to be shared, copied or otherwise distributed without the OEM’s express consent. Obtaining consents for release of such intellectual property are time-consuming, burdensome and costly.
* Finally, air and other permit restrictions can be drivers which limit operational characteristics in ways that may not be readily included in opportunity costs.

Additionally, CAISO represents that its intent in reviewing these documentation is a “prudent measure of due diligence” matter. However, in order for CAISO to feel confident that changed Master File values are appropriate, it will necessarily require some professional judgement in its review, which if changes are rejected, substitutes the operational judgement and experience of the resource owner/operator. Additionally, there currently are no official guidelines to frame such professional judgement that CAISO will apply. So how does a generator ensure that this potentially unilateral evaluation will not be unduly burdensome?

We recommend that CAISO provide a more definitive Master File change guidelines, established in coordination with resource owners/operators and their engineers via a workshop, task force or stakeholder process. With that due process, we believe we can achieve better results that are acceptable to CAISO and to resource owners. Such a process would allow for the proper vetting of potential unintended consequences. The acceptance or rejection of Master File changes based on CAISO’s unilateral judgement without market approved transparent guidelines is irresponsible and does not achieve the purpose of section 4.6.4 of the tariff.

Second, we reiterate that resource owners’ machines are being used in a manner very different than the original design. A CCGT was designed to be turned on and run as a baseload resource for days or months. In the current market, it is not uncommon to cycle every day, and in the future possibly twice a day.  As we press the flexibility of these machines, we, collectively will learn about the capabilities and limitations within the evolving market.  Original design capabilities are irrelevent, and not helpful in assessing new challenges.  Despite the fact that CAISO recognizes “that resource performance may degrade over time”, such that it acknowledges that the ability to achieve design capabilities might change, or that permit limitations can be accounted for via another mechanism, such as submitting an outage card in OMS. If CAISO believes this to be the case, then it means CAISO allows the resources to stretch the resources constraints at the expense of not being available for exceeding these limitations, which could result to unintended grid reliability issues. CAISO tariff, in general, does not account for the limitation presented by a resource’s Title V provisions, and the Master File submission, allows the resource owners to fully subscribe to its obligations in the tariff, while managing its environmental responsibilities/limitations without unduly compromising grid reliability.

Third, we remind the ISO that a non-disclosure agreement, alone is not sufficient for us to release information that a vendor deems proprietary.  In fact, in some cases, vendor consent - can but uncommonly, be withheld. Attaining that consent can be time-consuming and burdensome.

Thank you.