

# Proposed Framework for CAISO Flexible Capacity Procurement

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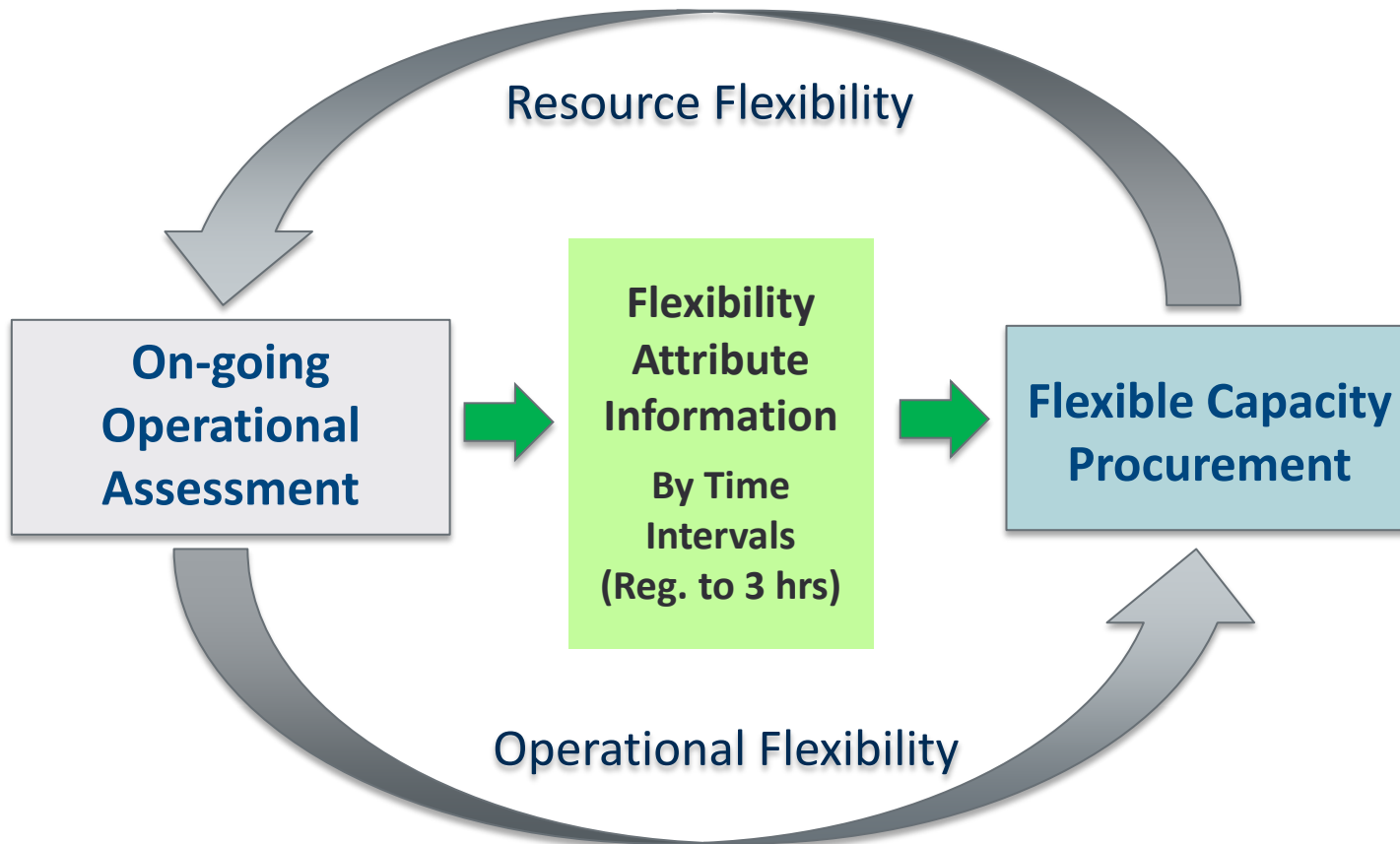
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# Draft Framework for Flexible Capacity Procurement



# On-going Operational Assessments



# Flexible Capacity Procurement

Flexibility Attribute Information Gathered through the On-going Operational Assessment

## Step 1: Identify Flexible Capacity Needs

Assess need for resource attributes and characteristics:

- Determine current flexibility needs and related resource characteristics
  - Regulation, 5-15 min, 1-3 hour ramping needs
- Determine likely future policy requirements and renewable deployment
- Project how flexibility need will likely evolve over time

## Step 2: Specify Flexible Capacity Procurement Quantities

- a. Define products for procurement
  - Products to optimally utilize resources, minimize participation barriers
  - Determine qualifications and performance requirements
- b. Translate flexibility need into quantity of products needed for near-term (next RA procurement) and longer-term (3+ years)
  - Determine quantities and procurement time frame
  - Prioritize types of capabilities/products for near-term needs

## Step 3: Procure Flexible Capacity

Operational Assessment

# Integrated Operational & Procurement Framework

