

PUBLIC UTILITIES COMMISSION
505 VAN NESS AVENUE
San Francisco, CA 94102



Instructions for Adding Demand Response Resource IDs to the Monthly Net Qualifying Capacity List

The Net Qualifying Capacity (NQC) list is meant to reflect actual capacity available to meet resource adequacy (RA) requirements and the state's energy needs. In recent years, the demand response (DR) capacity shown on the list has far exceeded existing resources. As a result, the CPUC and CAISO have implemented a process to ensure that listed DR capacity does not exceed capacity approved by the CPUC through the Load Impact Protocols (LIPs) and the Demand Response Auction Mechanism (DRAM).

In the year-ahead (YA) timeframe, we will add all approved DR resources to the "Other" tab of the NQC list in order for Load Serving Entities (LSEs) to show these as "Under Construction Resources" in their YA showing. In their RA Plans, LSEs must show all DR resources under the "Demand Response" tab, regardless of whether they are listed in the "Under Construction Resources" in the YA showings or in the NQC list. DRPs that only intend on filing Month-Ahead (MA) filings do not need to submit any values *unless* they are seeking Transmission (Tx) credits for their respective counterparty LSEs, such as Community Choice Aggregators (CCAs).

Resources may be added to the main tab of the NQC list ahead of the YA showing if desired. However, specific Resource IDs must be on the NQC list in advance of all month-ahead RA filings.

To add Resource IDs to the NQC list, please list all Resource IDs and requested monthly values using the attached template and send your request to RAfiling@cpuc.ca.gov and natalie.guishar@cpuc.ca.gov. CPUC staff will review requests and submit values to the CAISO upon approval.

Please follow these instructions when making requests:

- Total MW requested may not exceed approved amounts.
- Providers with both DRAM and LIP MW shall submit one file with separate tabs for each.
- Use one tab to show values inclusive of the distribution loss factor (DLF) applicable to the specific transmission access charge (TAC) area; use another tab to show values exclusive of the DLF. For example: Tab 1: Aug DRAM; Tab 2: Aug DRAM wDLF; Tab 3: Aug LIP; Tab 4: Aug LIP wDLF.
- A value must be entered for *all* months of the year; this value can be zero.
- The CAISO does not allow monthly NQC values to decrease during the year. Capacity values assigned to a particular resource ID may be increased -- but *not* reduced -- during the year.
- Updates to NQC values may be requested on a monthly basis.
- The only potential for reductions in the NQC value will be in the case of the mid-year LIP updates adopted in D.20-06-031. If the CPUC reduces a DRP's total approved capacity, staff will work with the DRP to reduce values on the CPUC NQC list so that

the total approved capacity is not exceeded. This may result in a mismatch between the CAISO and CPUC NQC lists.

- In order for resources to be added, filings must be submitted on the **first business day** of the month two months prior to the requested month. For example, for the October 2022 RA showing, requests must be submitted by August 1, 2022.
- Please use the template associated with these instructions.

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