



Stakeholder Comments Template

Market Settlements Timeline

This template has been created for submission of stakeholder comments on the Revised Straw Proposal meeting that was held on August 22, 2019. The paper, stakeholder meeting presentation, and all information related to this initiative is located on the [initiative webpage](#).

Upon completion of this template, please submit it to initiativecomments@caiso.com.
Submissions are requested by close of business **September 6, 2019**.

Submitted by	Organization	Date Submitted
Joe Chambers Bulk Marketing jlchambers@bpa.gov	Bonneville Power Administration	September 6, 2019

Bonneville Power Administration (Bonneville) appreciates the opportunity to comment on the CAISO Market Settlement Timeline Revised Straw Proposal dated August 15, 2019.

Bonneville is a federal power marketing administration within the U.S. Department of Energy that markets electric power from 31 federal hydroelectric projects and some non-federal projects in the Pacific Northwest with a nameplate capacity of 22,500MW. Bonneville currently supplies 30 percent of the power consumed in the Northwest. Bonneville also operates 15,000 miles of high voltage transmission that interconnects most of the other transmission systems in the Northwest with Canada and California. Bonneville is obligated by statute to serve Northwest municipalities, public utility districts, cooperatives and other regional entities prior to selling power out of the region.

Bonneville has a few comments on the implementation of the revised proposal, which are described below.

1. Modify settlements timeline

Bonneville supports the modified timeline with one caveat: In section 6.3.2 of the revised straw proposal (page 17) the CAISO proposes to delay payment on disputes to the T+70B invoices until T+12M. This proposal adds two months to CAISO's dispute payment calendar. BPA understands the convenience of this proposal for the CAISO, but is concerned with the two month additional delay in payment. BPA would like the CAISO to consider settlement of T+70B disputes as they are resolved rather than wait until T+12M.

2. Extend flexibility in publishing settlements/weekly invoices

Bonneville supports.

3. Reduce administrative costs for low value disputes

Bonneville understands the CAISO's rational for its proposal to eliminate disputes under \$100 but is concerned about potential repercussions:

- Relying on placeholder disputes to address disputes under \$100 may be problematic for CAISO customers because the CAISO has the ability to unilaterally deny placeholder disputes without explanation leaving customers to submit inquiries. The \$100 threshold could force CAISO customers, who otherwise would have submitted disputes, to instead submit inquiries in an attempt to understand the cause of the variance. Increased inquiries could result in similar administrative effort by the CAISO staff as status quo.
- The \$100 threshold may result in CAISO unfairly passing costs on to CAISO customers. Bonneville must resolve all disputes with our customers and therefore may be forced to absorb un-resolved disputed discrepancies which ultimately would be passed on in rates. Therefore, the \$100 threshold would likely increase costs to Bonneville customers.
- Market participants could and probably would aggregate disputes (pertaining to the same charge code) in an effort to meet or beat the \$100 threshold. If this occurs the CAISO may not reduce its administrative burden by setting the \$100 threshold.

Bonneville appreciates the CAISO's data on frequency of disputes less than \$100 (Table 3, page 13). The CAISO demonstrates that the number of disputes under \$100 has declined over time. This may be due to improvement in the quality of the CAISO settlements or self-regulation on the part of CAISO counterparties. (As CAISO notes, the work involved with revising and reviewing settlement statements is time consuming and expensive for both market participants and CAISO.) If the current reduction [in disputes] continues, the CAISO may not need to set the \$100 dispute threshold.

For above mentioned reasons, Bonneville continues to oppose the \$100 dispute threshold.