Comments on CAISO's Commitment Cost Enhancements Draft Tariff Language

September 24, 2014

On September 17, 2014, posted the Draft Tariff Language for the Commitment Cost Enhancements. California Department of Water Resources State Water Project (SWP) appreciates the opportunity to submit comments.

Comments:

Section 30.4.1.2 Registered Cost Methodology

The SWP supports CAISO's decision to retain the Registered Cost methodology for Use-Limited Resources (ULRs). SWP remains concerned about protections for ULRs. If rules are triggered causing Start-Up or Minimum Load costs for Use-Limited Resources to be calculated using the Proxy Cost methodology, what parameters will be required to calculate proxy costs? What values will CAISO use for these parameters if none currently exist in the Master File, such as a hydro resources fuel cost of \$0? SIBR Business rules 41119, 41126, 41204, and 41211 seem to indicate the same values as used in the Registered Cost will be substituted and that CAISO will manually make these bids Valid. Could the CAISO clarify this further in the Tariff?