

Section	Party	Comment	ISO Response	Round of Comments
11.5.1.1	PacifiCorp	Section 11.5.1.1 refers to “MSS Operators” and “Gross” versus “Net” Settlement Electing provisions. It is unclear to PacifiCorp how these terms relate to an EIM Entity, and whether an EIM Entity may be considered an “MSS Operator.”	An “MSS Operator” is defined solely with reference to metered subsystems within the ISO balancing authority area and has no applicability to an EIM Entity or any other utility system outside the ISO balancing authority area. The charge description in Section 11.5.1.1 includes references to “MSS Operators” and their option to elect gross or net settlement in order to address components of the calculation specific to these entities. There is no implication that an EIM Entity would be eligible to be or considered to be such an entity by virtue of this charge.	Final
11.5.1.2	PacifiCorp	Operational adjustments are included in Section 11.5.1.2 of the CAISO Tariff, as revised for compliance with Order No. 764, but there is no mention of how payments or charges for RTD IIE are handled for these situations in Section 11.5.1.2. PacifiCorp requests that the CAISO include a reference in the CAISO Tariff similar to the other 11 types of energy mentioned in order to address the manner in which operational adjustments will be handled for payments and charges.	There are only two types of RTD IIE for EIM market participants: the difference between RTD dispatch and base schedules for EIM Participating Resources and the difference between manual dispatches and base schedules. See the treatment of manual dispatch in section 29.7(i).	Final
11.5.4.1	SCE	The method to allocate the amount of the Real-Time Balancing Authority Area Neutrality Amount appears to be missing a description of how the CAISO BAA’s share will be allocated to their participants. (a) Financial Value of EIM Transfers. <u>For each Settlement Interval</u> The CAISO will calculate the Real-Time Market financial value of EIM Transfers as the product of the MWh, either positive or negative, and the Locational Marginal Price of the pricing node at the corresponding EIM Internal Intertie. (b) Initial Calculation. The CAISO will calculate <u>the EIM Entity</u> Balancing Authority Area Real-Time Market neutrality amount to be recovered on a 5-minute basis for each Balancing Authority Area in the <u>EIMRTM</u> Area as the sum of the financial value of EIM Transfers and the Settlement amounts for FMM Instructed Imbalance Energy and RTD	The ISO will correct this section to clarify the allocation of this neutrality amount and has proposed changes below as an ISO comment on this tariff section. As for the proposed change of “EIM Area” to “RTM Area,” the ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p>Instructed Imbalance Energy, Uninstructed Imbalance Energy, and Unaccounted For Energy, and for the CAISO, Real-Time Virtual Bid Settlement, less the Balancing Authority Area Real-Time Congestion Offset determined under Section 11.5.4.1.1, and for the CAISO, plus the Real-Time Ancillary Services Congestion Revenues and Virtual Awards settlements in the Real-Time Market in accordance with Section 11.3, less Real-Time Congestion Offset and less the Real-Time Marginal Cost of Losses Offset.</p> <p>(c) Adjustment. The CAISO will adjust the initial calculation of the EIM Entity Balancing Authority Area Real-Time Market neutrality amount by—</p> <p>(1) dividing the sum of net EIM Transfers out of an EIM Entity Balancing Authority Area by the sum of the absolute value of Uninstructed Imbalance Energy due to Demand, the absolute value of Uninstructed Imbalance Energy due to Supply, the absolute value of Unaccounted For Energy, and the net EIM Transfer out of the Balancing Authority Area;</p> <p>(2) summing the amounts for all EIM Entity Balancing Authority Areas that had EIM Transfers out in the Dispatch Interval; and</p> <p>(3) distributing that sum to the initially determined amounts for each EIM Entity Balancing Authority Area that had EIM Transfers in during the Dispatch Interval based on its pro rata share of the EIM Transfers during the Dispatch Interval.</p> <p>(4) <u>[Need an additional section on how the CAISO BAA share is allocated to their participants, SCE, PG&E, etc.]</u></p> <p>(d) Residual Neutrality Amounts. Any residual neutrality amount shall be allocated to <u>EIMRTM</u> Market Participants based upon <u>EIMRTM</u> Area Measured Demand.</p> <p>Missing a step between sub-section c and d – it might be more clear to separate the two Real-Time Imbalance Energy Neutrality Allocations into two different sections: one for each EIM BAA (after applying EIM Transfers and Adjustment) and</p>		

Section	Party	Comment	ISO Response	Round of Comments
		one for the entire EIM Area for any residual neutrality amount.		
11.5.4.1	PG&E	<p>PG&E understands the need to cross reference between section 29 and other sections of the existing CAISO Tariff in order to minimize redundancy. PG&E also understands CAISO’s view that the EIM is an extension of, not separate from, the ISO’s real time market. However, PG&E believes rules specifically pertaining to the EIM belongs in section 29, which is dedicated for that purpose.</p> <p>Specifically, PG&E recommends that the proposed section 11.5.4.1 titled “Real-Time Balancing Authority Area Neutrality Amount” be moved into section 29.</p> <p>The proposed section 11.5.4.1 is entirely dedicated to EIM rules. For instance, this section details how the CAISO will calculate neutrality account for each EIM Entity BAA and how that calculation will be adjusted for each EIM Entity BAA. It further details how real-time congestion offset will be calculated for each EIM Entity BAA and are adjusted by virtual schedules. Clearly, these rules are specific to serve the EIM and should thus be included in section 29.</p>	Section 11.5.4.1 applies to both the ISO balancing authority area and EIM Entities. The description of the allocation to the ISO was inadvertently omitted in the previous draft. The ISO will correct this and has proposed changes below as an ISO comment on this tariff section and its subsections.	Final
11.5.4.1(b)	PG&E	This section describes the calculation of a Real-Time Market neutrality amount for each EIM Entity BAA. However, it fails to address how this amount is calculated for the CAISO BAA. PG&E recommends expanding this description to include the calculation for the CAISO BAA as well.	The ISO will clarify this and has proposed changes below as an ISO comment on this tariff section.	Final
11.5.4.1(b)	ISO	(b) Initial Calculation. The CAISO will calculate the EIM Entity Balancing Authority Area Real-Time Market neutrality amount Neutrality Amount to be recovered on a 5-minute basis for each Balancing Authority Area in the EIM Area as the sum of the financial value of EIM Transfers and the Settlement	ISO proposed correction and clarification. The ISO proposes this correction and clarification in response to the comments of SCE and PG&E on section 11.5.4.1 and its subsections.	Final

Section	Party	Comment	ISO Response	Round of Comments
		amounts for FMM Instructed Imbalance Energy and RTD Instructed Imbalance Energy, Uninstructed Imbalance Energy, and Unaccounted For Energy, and for the CAISO, Real-Time Virtual Bid Settlement, less the Balancing Authority Area Real-Time Congestion Offset determined under Section 11.5.4.1.1, and for the CAISO, plus the Real-Time Ancillary Services Congestion Revenues and Virtual Awards settlements in the Real-Time Market in accordance with Section 11.3, less Real-Time Congestion Offset and less the Real-Time Marginal Cost of Losses Offset.		
11.5.4.1(c)	ISO	c) Adjustment. The CAISO will adjust the initial calculation of the EIM Entity Balancing Authority Area Real-Time Market neutrality amount <u>Neutrality Amount</u> by—	ISO proposed correction and clarification. The ISO proposes this correction and clarification in response to the comments of SCE and PG&E on section 11.5.4.1 and its subsections.	Final
11.5.4.1(d)	ISO	(d) Residual Neutrality Amounts. Any <u>The ISO will allocate any</u> residual neutrality amount shall be allocated to EIM Market Participants Scheduling Coordinators in the EIM Area based upon EIM Area Measured Demand.	ISO proposed correction and clarification. The ISO proposes this correction and clarification in response to the comments of SCE and PG&E on section 11.5.4.1 and its subsections.	Final
11.5.4.1(e)	ISO	<u>(e) Allocation. The ISO will allocate the Balancing Authority Areas' Real-Time Market Neutrality Amount—</u> <u>(1) for the CAISO Balancing Authority Area, to Scheduling Coordinators in the CAISO Balancing Authority Area according to Measure Demand; and</u> <u>(2) for EIM Entity Balancing Authority Areas, to the EIM Entity Scheduling Coordinator.</u>	ISO proposed correction and clarification. The ISO proposes this correction and clarification in response to the comments of SCE and PG&E on section 11.5.4.1 and its subsections.	Final
11.5.4.1.1	Powerex	Powerex requires clarification with regards to this provision, including the mechanics of how it will work, the genesis for the language and the reasons CAISO believes this is necessary. To the best of Powerex's recollection, this provision was not contained in previous drafts nor subject to stakeholder	This was included in section 29.11(e)(4) in the previous draft, and was discussed in section 3.7.8.2 of the draft final proposal. [Also see the ISO's proposed clarification of this language set forth below as an ISO comment on this tariff section.]	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p>discussion or Board approval. If, indeed, this provision was not vetted by the Board or stakeholders, Powerex objects to its inclusion now and believes that a stakeholder process should be initiated prior to any new provision such as this being included.</p>		
11.5.4.1.1	SCE	<p>11.5.4.1.1 Real-Time Congestion Offset. (a) Real-Time Congestion Offset. For each Settlement Period of the RTM, the CAISO shall calculate the Real-Time Congestion Offset as— (1) the sum for each EIM Entity Balancing Authority Area of the product of the contribution of that EIM Entity Balancing Authority Area's Transmission Constraints to the marginal congestion component of the Locational Marginal Price at each resource location in the EIM Area and the imbalance energy, including Virtual Bids, at that resource location;</p> <p>[use of "EIM Area" in 11.5.4.1.1(a)(1)] Not sure if this is just the EIM Entity area or the entire RTM footprint? I think it is just the EIM Entity areas.</p> <p>* * *</p> <p>(c) Allocation. The CAISO will allocate— (1) the Real-Time Congestion Offset for each EIM Entity Balancing Authority Area to EIM Entity Scheduling Coordinators;</p> <p>[re 11.5.4.1.1(c)(1)] What about EIM Transfer Adjustment?</p>	<p>Regarding the first comment, the ISO intends that this calculation apply to all balancing authority areas in the EIM Area, including the ISO balancing authority area. Regarding SCE's proposal to replace "EIM Area" with "RTM Area" throughout the EIM tariff language, the ISO is considering the merits of replacing the term "EIM Area" with the term "RTM Area" in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.</p> <p>Regarding SCE's second comment, the EIM Transfer adjustment is included in the final Real-Time Congestion Offset.</p> <p>[Also see the ISO's proposed clarification of this language set forth below as an ISO comment on this tariff section.]</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
11.5.4.1.1(a)(1)-(2)	ISO	<p>(1) the sum for each EIM Entity Balancing Authority Area in the EIM Area of the product of the contribution of that EIM Entity Balancing Authority Area’s Transmission Constraints to the marginal congestion component of the Locational Marginal Price at each resource location in the EIM Area and the imbalance energy, including Virtual Bids, at that resource location, (2) minus any Virtual Bid adjustment.;</p> <p>(ii) provided EIM Internal Interties other than with the CAISO Balancing Authority Area shall be shared based on the number of EIM Balancing Authority Areas that share the EIM Internal Intertie as provided in the Business Practice Manual for the Energy Imbalance Market; and</p> <p>(2) minus any Virtual Bid adjustment.</p>	ISO proposed clarification. The ISO proposes this clarification in response to the comments of Powerex and SCE on section 11.5.4.1.1 and its subsections.	Final
11.5.4.1.1(b)	ISO	<p><u>(b) Treatment of EIM Internal Interties. In performing the calculation in subsection (a)(1) of this section, the ISO shall determine a Balancing Authority Area’s contribution at EIM Internal Interties based on the number of EIM Balancing Authority Areas that share the EIM Internal Intertie as provided in the Business Practice Manual for the Energy Imbalance Market.</u></p>	ISO proposed clarification. The ISO proposes this clarification in response to the comments of Powerex and SCE on section 11.5.4.1.1 and its subsections.	Final
11.5.4.1.1(c)	ISO	<p>(bc) Virtual Bid Adjustment.</p>	ISO proposed clarification. This is just a section numbering change associated with other ISO proposed changes to the preceding tariff sections.	
11.5.4.1.1(d)	ISO	<p>(ed) Allocation. The CAISO will allocate—</p>	ISO proposed clarification. This is just a section numbering change associated with other ISO proposed changes to the preceding tariff sections.	Final

Section	Party	Comment	ISO Response	Round of Comments
11.8.6.3.2	ISO	<p>11.8.6.3.2 Total Positive RUC and RTM Uplift Any negative RUC and Real-Time Market Bid Cost Uplifts are set to \$0 and any positive Net RUC Bid Cost Uplifts and Real-Time Market Bid Cost Uplifts are further reduced by the uplift ratio in Section 11.8.6.3.2(iii) to determine the Total RUC and RTM Uplift <u>for each Balancing Authority Area in the EIM Area</u> as follows;</p> <p>(i) <u>For each Balancing Authority, the CAISO will calculate a separate total net RUC and RTM BCR Uplift based on the location of resources within each Balancing Authority Area.</u></p> <p>(ii) The Total RUC and RTM Uplift is determined as the sum of the Net RUC Bid Cost Uplift and the Net Real-Time Market Bid Cost Uplift for all Settlement Intervals in the RUC and Real-Time Market, including EIM Transfer adjustments determined in accordance with Section 11.8.6.7.</p> <p>(iii) The Total Positive RUC and RTM Uplift is determined as the sum of the positive RUC Bid Cost Uplift and positive Real-Time Market Bid Cost Uplift, for all Settlement Intervals in the RUC and Real-Time Market.</p> <p>(iv) The uplift ratio, <u>for each Balancing Authority Area in the EIM Area</u>, is equal to the Total RUC and RTM Uplift divided by the Total Positive RUC and RTM Uplift, <u>in the Balancing Authority Area.</u></p> <p>(v) <u>For each Settlement Interval and each Balancing Authority Area in the EIM Area, ISO will multiple the applicable uplift ratio times each positive RUC Bid Cost Uplift and Real-Time Market Bid Cost Uplift to determine the Net RUC Bid Cost Uplift and the Net Real-Time Market Bid Cost Uplift .</u></p> <p>(vi) <u>The CAISO shall adjust the Net Real-Time Market Bid Cost Uplift amounts calculated in subsection (iv) by—</u></p> <p>(a) <u>dividing the sum of net EIM Transfers out of a Balancing Authority Area by the sum of the absolute value of</u></p>	<p>ISO proposed clarification. The ISO proposes this clarification in response to the comment of Six Cities on section 29.11(f)(3)(B) and in order to make the apportionment and allocation of RUC and bid costs more clear.</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p><u>Uninstructed Imbalance Energy due to Demand, the absolute value of Uninstructed Imbalance Energy due to Supply, the absolute value of Unaccounted For Energy, and the net EIM Transfer out of the Balancing Authority Area;</u> <u>(b) summing the amounts for all Balancing Authority Areas that had EIM Transfers out of the Balancing Authority Area in the Dispatch Interval; and</u> <u>(c) distributing that sum to the initially determined amounts for each Balancing Authority Area during the Dispatch Interval based on its pro rata share of the EIM Transfers during the Dispatch Interval.</u> <u>(iii) For each Settlement Interval, the Net RUC Bid Cost Uplift and Net RTM Bid Cost Uplift by Settlement Interval for each Balancing Authority Area in the EIM Area will be the sum of the amounts calculated in subsections (v) and, for Net RTM Bid Cost Uplift only, (vi) for each Balancing Authority Area in the EIM.</u> <u>[See 11.8.6.6]</u></p>		
11.8.6.6	Six Cities	See the comment on Section 29.11(f)(3)(B) above.	In response to Six Cities' comment on section 29.11(f)(3)(B), the ISO proposes to revise section 11.8.6.6 and related provisions of the tariff to clarify the apportionment and allocation of RUC and bid costs. The ISO has shown its proposed revisions as ISO comments on section 11.8.6.6 and related provisions.	Final
11.8.6.6	ISO	<p>11.8.6.6_ Allocation of Net RTM Bid Cost Uplift The (i) For the CAISO Balancing Authority Area, the CAISO will determine the hourly Net RTM Bid Cost Uplift is computed for the Trading Hourly as the product of the RTM uplift ratio in Section 11.8.6.3 and the sum over all of the Settlement Intervals of the Trading Hour of any positive Net RTM Bid Cost Uplift after the sequential netting determined in Section 11.8.6.3.2, plus the sum of the Trading Intervals of the Trading Hour of any EIM Transfer adjustment calculated under Section 11.8.6.7.1. The hourly RTM Bid</p>	ISO proposed clarification. The ISO proposes to integrate the provisions it posted as sections 11.8.6.6 and 11.8.6.7 back into a single section 11.8.6.6, as shown below. The ISO proposes this clarification in response to the comment of Six Cities on section 29.11(f)(3)(B) and in order to make the apportionment and allocation of RUC and bid costs more clear.	

Section	Party	Comment	ISO Response	Round of Comments
		<p>Cost Uplift in the CAISO Balancing Authority Area is allocated to Scheduling Coordinators, including Scheduling Coordinators for MSS Operators that have elected (a) not to follow their Load, and (b) gross Settlement, in proportion to their Measured Demand plus any FMM reductions not associated with valid and balanced ETCs, TORs or Converted Rights Self-Schedules in the Day-Ahead Market for the Trading Hour. For Scheduling Coordinators for MSS Operators that have elected (a) not to follow their Load, and (b) net Settlement, the hourly RTM Bid Cost Uplift is allocated in proportion to their MSS Aggregation Net Measured Demand plus any FMM reductions not associated with valid and balanced ETCs, TORs or Converted Rights Self-Schedules in the Day-Ahead Market. For Scheduling Coordinators of MSS Operators that have elected to follow their Load, the RTM Bid Cost Uplift shall be allocated in proportion to their MSS Net Negative Uninstructed Deviation plus any FMM reductions not associated with valid and balanced ETCs, TORs or Converted Rights Self-Schedules in the Day-Ahead Market. Accordingly, each Scheduling Coordinator shall be charged an amount equal to its Measured Demand plus any FMM reductions not associated with valid and balanced ETCs, TORs or Converted Rights Self-Schedules in the Day-Ahead Market times the RTM Bid Cost Uplift rate, where the RTM Bid Cost Uplift rate is computed as the Net RTM Bid Cost Uplift amount divided by the sum of Measured Demand plus any FMM reductions not associated with valid and balanced ETCs, TORs or Converted Rights Self-Schedules in the Day-Ahead Market across all Scheduling Coordinators for the Trading Hour. Any real-time reductions after HASP results are published to HASP Block Intertie Schedules in response to Dispatch Instructions or real-time scheduling curtailments are not allocated any Net RTM Bid Cost Uplift.</p>		

Section	Party	Comment	ISO Response	Round of Comments
		<p><u>(ii) For EIM Entity Balancing Authority Areas, the CA ISO will allocate the amounts determined according to Section 11.8.6.3.2.1 to the EIM Entity Scheduling Coordinator.</u></p>		
11.8.6.7	ISO	<p>Deleted and combined with 11.8.6.6.</p> <p>11.8.6.7 EIM Transfer Adjustment. The CAISO shall calculate the EIM Transfer adjustment by—</p> <p>(a) dividing the sum of net EIM Transfers out of an EIM Entity Balancing Authority Area by the sum of the absolute value of Uninstructed Imbalance Energy due to Load, the absolute value of Uninstructed Imbalance Energy due to Supply, the absolute value of Unaccounted For Energy, and the net EIM Transfer out of the Balancing Authority Area;</p> <p>(b) summing the amounts for all EIM Entity Balancing Authority Areas that had EIM Transfers out in the Dispatch Interval; and</p> <p>(c) distributing that sum to the initially determined amounts for each EIM Entity Balancing Authority during the Dispatch Interval based on its pro-rata share of the EIM Transfers during the Dispatch Interval.</p>	<p>ISO proposed clarification. The ISO proposes to integrate the provisions it posted as sections 11.8.6.6 and 11.8.6.7 back into a single section 11.8.6.6, as shown above. The ISO proposes this clarification in response to the comment of Six Cities on section 29.11(f)(3)(B) and in order to make the apportionment and allocation of RUC and bid costs more clear.</p>	Final
11.14	Six Cities	<p>See the comment on Section 29.11(e)(5) above.</p>	<p>In response to Six Cities' comment on section 29.11(e)(5), the ISO proposes to revise section 11.14 of the tariff to distinguish between circumstances when assessment is appropriately based on "Measured Demand" and circumstances when assessment should be based on the proposed new defined term "EIM Area-Measured Demand." The ISO has proposed changes below as an ISO comment on this tariff section.</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
11.14	ISO	<p>11.14 Neutrality Adjustments</p> <p>The CAISO shall be authorized to levy additional charges or make additional payments as special adjustments in regard to:</p> <p>(a) amounts required to reach an accounting trial balance of zero in the course of the Settlement process in the event that the charges calculated as due from CAISO California Independent System Operator Corporation Fifth Replacement Tariff December 3, 2013 Debtors are lower than payments calculated as due to the CAISO Creditors for the same Trading Day, which includes any amounts required to round up any invoice amount expressed in dollars and cents to the nearest whole dollar amount. These charges will be allocated amongst the Scheduling Coordinators who traded on that Trading Day pro rata to their Measured Demand in MWh of Energy for that Trading Day on a monthly basis. In the event that the charges due from CAISO Debtors are higher than the payments due to CAISO Creditors, the CAISO shall allocate a payment to the Scheduling Coordinators who traded on that Trading Day pro rata to their Measured Demand in MWh of Energy for that Trading Day on a monthly basis; and</p> <p>(b) awards payable by or to the CAISO pursuant to good faith negotiations or CAISO ADR Procedures that the CAISO is not able to allocate to or to collect from a Market Participant or Market Participants in accordance with Section 13.5.3. These charges will be allocated among Scheduling Coordinators over an interval determined by the CAISO and pro rata based on <u>EIM Measured Demand during that interval, if the dispute concerned the Real-Time Market, or otherwise</u> Measured Demand during that interval.</p>	<p>ISO proposed revision. The ISO has proposed this revision in response to the comment of Six Cities on section 29.11(e)(5) in order to distinguish between circumstances when assessment is appropriately based on “Measured Demand” and circumstances when assessment should be based on the proposed new defined term “EIM Area-Measured Demand.”</p>	

Section	Party	Comment	ISO Response	Round of Comments
11.25.1	PG&E	This section states that there will be a Flexible Ramping Constraint Derived Price associated with each resource. PG&E asks for clarification on whether there will be a single Flexible Ramping Constraint Derived Price (FRCDP) for the total MW amount of Flexible Ramping Constraint (FRC) that a resource is contributing across the entire EIM Area, or will different FRCDPs be calculated for a given resource that corresponds to each specific FRC constraint (e.g., groupings or individual BAA) that the resource contributed to?	In response to PG&E's comment and to clarify other aspects of this section, the ISO has proposed clarifications of this language set forth below as ISO comments on this and related tariff sections.	Final
11.25.1	PG&E	More importantly, PG&E recommends defining a separate and distinct Flexible Ramping Constraint Derived Price (FRCDP) for the EIM. This is appropriate because the parameters and logic that underlies the existing FRCDP for the CAISO BAA may not be available or logical for an EIM Entity. For example, the CAISO has already identified that for an EIM Entity there is no ancillary services price, which is a core component of the current FRCDP. As such, it would be inappropriate to then apply the same logic behind the current FRCDP, which is to reduce the flexible ramping constraint shadow price by 75% of the energy component of the LMP.	Since resources in both the ISO balancing authority area and an EIM Entity balancing authority area can be used to meet an individual balancing authority area's requirement, it is appropriate to use the same pricing formula. [Also see the ISO's proposed clarification of this language set forth below as ISO comments on this and related tariff sections.]	Final
11.25.1	PG&E	PG&E recommends defining a new EIM Flexible Ramping Constraint Derived Price, and calculate it based on the flexible ramping constraint shadow price alone. This approach seems to make sense since there is no backstop of paying the spinning reserve price to resources providing ramp capability in those areas so the reduction by 75% of System Marginal Energy Cost (SMEC) seems to be extreme. This approach is also more consistent with the approved design. ¹	In response to PG&E's comment and to clarify other aspects of this section, the ISO proposes to clarify section 11.25.1 to provide that the ASMP for spinning reserve will be zero for resources located in an EIM Entity balancing authority area. The ISO's proposed clarification of this language is set forth below as ISO comments on this and related tariff sections.	Final

¹ Page 72 of the DFP states that "the shadow price of the individual BAA constraint will determine the cost of the BAA meeting its flexible ramping requirements."

Section	Party	Comment	ISO Response	Round of Comments
11.25.1	SCE	<p>11.25.1 Compensation All resources identified as resolving the Flexible Ramping Constraint in the applicable RTUC interval are awarded Flexible Ramping Constraint capacity and will be compensated for such capacity for each RTUC interval, whether or not the Flexible Ramping Constraint is binding, limited by the quantity of Flexible Ramping Constraint requirements set by the CAISO operators as follows: The Scheduling Coordinator is paid the product of the (1) upward MW of capacity identified to satisfy the constraint(s) in the groupings and individual <u>EIMRTM</u> Area Balancing Authority Areas in which it participates to relieve the constraint(s), multiplied by 0.25 hours, and (2) Flexible Ramping Constraint Derived Price calculated for each applicable fifteen-minute FMM interval as described further in this Section 11.25.1. Payment to resources will be rescinded as set forth in Section 11.25.2. For each applicable fifteen-minute FMM interval, the Flexible Ramping Constraint Derived Price is equal to the lesser of: 1) \$800/MWh; or 2) the greater of: (a) zero (0), or (b) the Real-Time ASMP for Spinning Reserves for the applicable fifteen-minute FMM interval; or (c) the total Flexible Ramping Constraint Shadow Price, which is determined as the sum of the Flexible Ramping Constraint Shadow Prices for the groupings and individual <u>EIMRTM</u> Area Balancing Authority Areas in which the resource is deemed to have contributed to the constraint, minus seventy-five (75) percent of the maximum of (i) zero (0), or (ii) the Real-Time System Marginal Energy Cost, calculated as the simple average of the System Marginal Energy Cost for each of the three five-minute RTD intervals in the applicable fifteen-minute FMM interval. The Flexible Ramping Constraint Shadow Price represents the reduction of the total Energy and Ancillary Services procurement cost associated with a marginal change of that constraint for the applicable groupings and individual <u>EIMRTM</u> Area Balancing Authority Areas in which the constraint is</p>	<p>The ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p>enforced, which is equal to zero (0) if the Flexible Ramping Constraint is not binding. All costs associated with payments made pursuant to this Section 11.25 are allocated to all Scheduling Coordinators pursuant to the requirements set forth in Section 11.25.3.</p>		
11.25.1	ISO	<p>11.25.1 <u>Determination of Flexible Ramping Constraint Shadow Price</u> <u>The CAISO will determine a Flexible Ramping Constraint Shadow Price as the reduction of the total Energy and Ancillary Services procurement cost associated with a marginal change at each constraint for the individual EIM Area Balancing Authority Areas and applicable groupings of those areas in which the constraint is enforced, which will be equal to zero (0) if the Flexible Ramping Constraint is not binding.</u></p>	<p>ISO proposed clarification. The ISO proposes this clarification in response to PG&E’s comment on section 11.25.1 and to clarify other aspects of this and related sections.</p>	
11.25.2	ISO	<p>11.25.12 <u>Compensation of Resources</u> All(a) The CAISO will award Flexible Capacity Constraint capacity to all resources identified as resolving the Flexible Ramping Constraint in the applicable RTUC interval are awarded Flexible Ramping Constraint capacity and will be compensated for such capacity and will pay the resource’s Scheduling Coordinator, for each RTUC interval, whether or not the Flexible Ramping Constraint is binding, limited by the quantity of Flexible Ramping Constraint requirements set by the. (b) The CAISO operators will calculate the payment as follows: The Scheduling Coordinator is paid the product of the (1) ___ upward MW of capacity identified to satisfy the constraint(s) in the groupings and individual EIM Area Balancing Authority Areas in which it participates to relieve the constraints in the groupings and individual EIM Area Balancing Authority Areas in which it participates to relieve the constraint(s), multiplied by 0.25 hours, and (2) ___ Flexible Ramping Constraint Derived Price calculated</p>	<p>ISO proposed clarification. The ISO proposes this clarification in response to PG&E’s comment on section 11.25.1 and to clarify other aspects of this and related sections.</p>	

Section	Party	Comment	ISO Response	Round of Comments
		<p>for each applicable fifteen-minute FMM interval as described further in this Section 11.25.1. Payment to resources will be rescinded as set forth in Section FMM Settlement Interval.</p>		
11.25.2.1	ISO	<p>11.25.2.-1 <u>Flexible Ramping Constraint Derived Price</u></p> <p><u>(a)</u> For each applicable fifteen-minute FMM interval, the Flexible Ramping Constraint Derived Price is equal to the lesser of: <u>—</u></p> <p>(1) <u>—</u> \$800/MWh; or</p> <p>(2) <u>—</u> the greater of: (a) zero (0), or (b)</p> <p><u>(i)</u> <u>—</u> the Real-Time ASMP for Spinning Reserves for the applicable fifteen-minute FMM interval; Settlement Interval or (e)</p> <p><u>(ii)</u> <u>—</u> the total Flexible Ramping Constraint Shadow Price, which is determined but not less than zero.</p> <p><u>(b)</u> <u>—</u> The CAISO will determine the total Flexible Ramping Constraint Shadow Price as the sum of the Flexible Ramping Constraint Shadow Prices for the groupings and individual EIM Area Balancing Authority Areas in which the resource is deemed to have contributed to the constraint, minus seventy-five (75) percent of the maximum greater of (i) of —</p> <p><u>—</u> (1) <u>—</u> zero (0), or (ii)</p> <p><u>(2)</u> <u>—</u> the Real-Time System Marginal Energy Cost,</p>	<p>ISO proposed clarification. The ISO proposes this clarification in response to PG&E’s comment on section 11.25.1 and to clarify other aspects of this and related sections.</p>	

Section	Party	Comment	ISO Response	Round of Comments
		<p>calculated as the simple average of the System Marginal Energy Cost for each of the three five-minute RTD intervals in the applicable fifteen-minute FMM interval. The Flexible Ramping Constraint Shadow Price represents the reduction of the total Energy and Ancillary Services procurement cost associated with a marginal change of that constraint for the applicable groupings and individual EIM Area Balancing Authority Areas in which the constraint is enforced, which is equal to zero (0) if the Flexible Ramping Constraint is not binding. All costs associated with payments made pursuant to this Section 11.25 are allocated to all Scheduling Coordinators pursuant to the requirements set forth in Section 11.25.3. FMM interval.</p>		
11.25.3	PG&E	<p>The second paragraph in this section describes how the total Flexible Ramping Constraint costs are allocated to each Balancing Authority Area (BAA), but it is hard to follow and understand. As a result, it is unclear whether the proposed language is consistent with the approved design.² PG&E recommends modifying this paragraph for clarity.</p>	<p>In response to PG&E's comment and and to clarify other aspects of this section, the ISO proposes clarification of this language set forth below as an ISO comment on this tariff section.</p>	Final
11.25.3	SCE	<p>The mechanism to allocate the cost is very difficult to understand and lacks any description of the principle to allocate cost. SCE recommends replacing the language with the intended principle as follows: 11.25.3 Allocation of Costs The CAISO allocates the total Flexible Ramping Constraint costs incurred as described in Section 11.25.1, net of the rescission of payments as described in Section 11.25.2 as follows: The CAISO determines the Balancing Authority Area specific allocation amounts by multiplying 1) the resource-specific total Flexible Ramping Constraint costs net of rescission of</p>	<p>In response to SCE's comment and and to clarify other aspects of this section, tthe ISO's proposes clarification of this language set forth below as an ISO comment on this tariff section.</p>	Final

² The draft final proposal indicates that FRC costs will be allocated based on the FRC requirements for each BAA, and no BAA shall bear the cost of meeting the FRC requirement of another BAA.

Section	Party	Comment	ISO Response	Round of Comments
		<p>payments, by 2) the ratio of the Flexible Ramping Constraint Shadow Price to the total Flexible Ramping Constraint Shadow Price, determined as described in Section 11.25.1.</p> <p>For each EIM Area Balancing Authority Area the CAISO will determine the Flexible Ramping Constraint costs attributable to that Balancing Authority Area for which the applicable constraint(s) were binding in the applicable interval, based on ratio of the Balancing Authority Area's requirement to its contribution to the grouping or individual constraints to which that that Balancing Authority Area contributes. The CAISO will sum these amounts at the Balancing Authority Area level to determine the individual Balancing Authority Area Flexible Ramping Constraint costs.</p> <p>For the CAISO Balancing Authority Area, The CAISO divides the total Flexible Ramping Constraint costs incurred in two portions and allocates each portion as described in 11.25.3.1 and 11.25.3.2. The total Flexible Ramping Constraint costs for each EIM Entity Balancing Authority Area are assigned to the EIM Entity Scheduling Coordinator as specified in Section 29.44(m).</p> <p><u>Market Participants will pay for the Flexible Ramping Constraint necessary to meet the requirements within their Balancing Authority. To the extent Flexible Ramping Constraint is purchased within one Balancing Authority to fulfill the requirements of a different Balancing Authority(ies), the cost will be allocated prorated to each Balancing Authority based on the amount of Flexible Ramping Constraint purchased to meet each Balancing Authority's requirement. Each Balancing Authority's Flexible Ramping Constraint requirement will not be reduced by EIM Internal Inertia adjustment used in Section 29.34(m)(6).</u> This is extremely difficult to understand the principle of the allocation. Perhaps the principle should be stated in simpler terms. The details can be included in the business practice manual. The other</p>		

Section	Party	Comment	ISO Response	Round of Comments
		<p>option is to include the principle and the calculation.</p> <p><u>Market Participants will pay for the Flexible Ramping Constraint necessary to meet the requirements within their Balancing Authority. To the extent Flexible Ramping Constraint is purchased within one Balancing Authority to fulfill the requirements of a different Balancing Authority(ies), the cost will be allocated prorated to each Balancing Authority based on the amount of Flexible Ramping Constraint purchased to meet each Balancing Authority's requirement. Each Balancing Authority's Flexible Ramping Constraint requirement will not be reduced by EIM Internal Inertie adjustment used in Section 29.34(m)(6).</u></p>		
11.25.3	Six Cities	In the second paragraph, eighth line, delete the extra "that".	The ISO agrees to make this change. [Also see the ISO's proposed clarification of this language set forth below as ISO comments on this and related tariff sections.]	Final
11.25.3	ISO	<p>11.25.23 Rescission of Payment for Non-Performance</p> <p><u>Payments(a) This CAISO will rescind payments to Scheduling Coordinators-are rescinded for the quantity of MWs of undelivered Flexible Ramping Constraint capacity determined as the 15-minute sum of the Settlement Interval amounts calculated as the minimum of: ___</u></p> <p><u>(1) ___the Flexible Ramping Constraint capacity identified as having contributed to the relief of the Flexible Ramping Constraint, or</u></p> <p><u>(2) the maximum of (a) zero (0), or (b) the difference between</u></p> <p><u>(i) ___ the absolute value of the negative UIE and</u></p> <p><u>(ii) ___ the upward MWs identified as Undelivered Ancillary Services Capacity as required in Section 11.10.9.3.-The rescinded amounts will be based on the product of the: 1) MWs quantities to be rescinded determined as described in this Section 11.25.2; and 2) the Flexible Ramping Constraint</u></p>	ISO proposed clarification. The ISO proposes this clarification in response to PG&E's comment on section 11.25.1 and to clarify other aspects of this and related sections.	

Section	Party	Comment	ISO Response	Round of Comments
		<p>Derived Price as described in Section 11.25.1-11.25.3 Allocation of Costs</p> <p>but not less than zero.</p> <p>(b) The CAISO allocates will determine the total Flexible Ramping Constraint costs incurred rescinded amounts as the product of—</p> <p>(i) the MWs quantities to be rescinded determined as described in this Section 11.25.4, net of the rescission of payments³; and</p> <p>(ii) the Flexible Ramping Constraint Derived Price as described in Section 11.25.2 as follows: 1.</p> <p>The CAISO determines the __</p>		
11.25.4	ISO	<p>11.25.4 Apportionment of Flexible Ramping Constraint Costs to Balancing Authority Area-specific allocation amounts by multiplying Areas</p> <p>(a) The CAISO will determine the Flexible Ramping Constraint Costs for each constraint as the product of</p> <p>(1) the resource-specific total Flexible Ramping Constraint costs, calculated as the total compensation in Section 11.25.2(b), net of rescission of payments, by and</p> <p>(2) the ratio of the Flexible Ramping Constraint Shadow Price to the total Flexible Ramping Constraint Shadow Price, determined as described in Section 11.25.1. =</p> <p>(b) For each constraint and each EIM Area Balancing Authority Area, the CAISO will determine the Flexible Ramping Constraint costs attributable to that Balancing Authority Area for which the applicable constraint(s) were binding in the applicable interval, based on the ratio of the Balancing Authority Area's requirement to its contribution to the grouping or individual constraints to which that that Balancing Authority Area contributes. The CAISO will sum these amounts at the Balancing Authority Area level to determine the individual Balancing Authority Area Flexible</p>	<p>ISO proposed clarification. The ISO proposes this clarification in response to comments of PG&E and SCE on section 11.25.3 and to clarify other aspects of this and related sections.</p>	

Section	Party	Comment	ISO Response	Round of Comments
		<p>Ramping Constraint costs.</p> <p>(c) The CAISO will determine each Balancing Authority Area's apportionment of Flexible Ramping Constraint costs as the sum for that Balancing Authority Area of the amounts determined in subsection (b).</p>		
11.25.5	ISO	<p>11.25.5 Allocation</p> <p>(a) For the CAISO Balancing Authority Area, the CAISO divides the will allocate total Flexible Ramping Constraint costs incurred in two portions and allocates each portion as described in Sections 11.25.35.1 and 11.25.35.2. The</p> <p>(b) The CAISO will allocate total Flexible Ramping Constraint costs for each EIM Entity Balancing Authority Area are assigned to the EIM Entity Scheduling Coordinator as specified in Section 29.11(m).</p>	ISO proposed clarification. The ISO proposes this clarification in response to comments of PG&E and SCE on section 11.25.3 and to clarify other aspects of this and related sections.	
11.25.5.1	ISO	11.25.35.1 Allocation to Measured Demand	ISO proposed clarification. This is just a section numbering change associated with other ISO proposed changes to the preceding tariff sections.	
11.25.5.2	ISO	11.25.35.2 Allocation to Supply Deviations	ISO proposed clarification. This is just a section numbering change associated with other ISO proposed changes to the preceding tariff sections.	
29	PacifiCorp	Section 29 appears to toggle between the use of "EIM" and "Energy Imbalance Market." For consistency, PacifiCorp recommends that the CAISO adopt the use of "EIM" where applicable as the defined term in all instances.	The ISO intends to use the term "Energy Imbalance Market" in Section 29 when discussing the general rules and procedures for the market itself and "EIM" primarily as part of another defined term. The ISO has proposed revisions to the use of EIM in various sections of the EIM tariff language to improve consistency of usage and believes usage of the terms on the	Final

Section	Party	Comment	ISO Response	Round of Comments
			basis of this distinction is reasonable and not confusing.	
29.1(a)	PacifiCorp	<p>PacifiCorp suggests the following revisions to Section 29.1(a): (a) Operation of EIM. Pursuant to Section 29, the CAISO shall <i>expand operation</i> and <i>settlement of</i> the Real-Time Market to provide for the purchase and sale of balancing Energy in any Balancing Authority Area for which the Balancing Authority executes an EIM Entity Agreement with the CAISO, in conjunction with the operation and settlement of the Real-Time Market in the CAISO Balancing Authority Area in accordance with the provisions of the CAISO Tariff. The struck language is overbroad to the extent that it applies generally to the CAISO Tariff. PacifiCorp continues to believe that EIM Market Participants should be able to easily understand the precise sections of the CAISO Tariff that apply to EIM to define the scope of their rights and obligations.</p>	The ISO agrees to make this change.	Final
29.1(c)	PacifiCorp	<p>PacifiCorp supports the CAISO retaining the proposed language stating that a provision in Section 29 shall prevail over an inconsistent provision in another section of the CAISO Tariff regarding the rights or obligations of EIM Market Participants. Section 29 is meant to expressly set forth the CAISO's prevailing provisions with regard to EIM Market Participants, will be approved by the Commission, and any provision in the remainder of the CAISO Tariff that may inadvertently conflict should be subordinate.</p>	Understood.	Final
29.1(d)	PacifiCorp	<p>PacifiCorp appreciates and supports the proposed changes that the CAISO made to the Second Draft Tariff with regard to the ability of the CAISO to (i) temporarily discontinue the participation of an EIM Entity in the Real-Time Market for a period not to exceed 60 days, and (ii) extend the discontinuation of EIM participation under certain</p>	Understood. [Also see the ISO's proposed clarification of this language set forth below as an ISO comment on this tariff section.]	Final

Section	Party	Comment	ISO Response	Round of Comments
		circumstances. PacifiCorp believes that these changes are an improvement and the Company is committed to continue working with the CAISO on these issues regarding temporary or permanent discontinuation of EIM Entity participation.		
29.1(d)(1)	PacifiCorp	Notwithstanding the support of these proposed changes, PacifiCorp proposes deletion of the phrase “if the resolution is identified within 60 days after issuance of the Market Notice” in Section 29.1(d)(1). PacifiCorp understands that the intent of the revisions is to provide the CAISO with additional time beyond the initial 60 days after the EIM Entity Implementation Date to resolve a market or system operational issue that was identified during the 60-day period. PacifiCorp agrees that the CAISO should be afforded reasonable additional time commensurate with the required resolution of the identified issue, but believes that removal of the language will promote greater clarity concerning the applicable timing requirements.	The ISO agrees to make this change.	Final
29.1(d)(1)	SCE	<p>The terms “Discontinuation” and “Termination” are too similar. SCE recommends changing the term “Discontinuation” to “Suspension”.</p> <p>(d) <u>Suspension or Discontinuation of EIM Entity Participation.</u></p> <p>(1) <u>Temporary Discontinuation-Suspension.</u> The CAISO may, within 60 days following the an EIM Entity Implementation Date for an EIM Entity, and pursuant to the terms of a Market Notice, temporarily discontinue-suspend the participation of that EIM Entity in the Real-Time Market for a period not to exceed 60 days if market or system operational issues adversely impact any portion of the <u>EIMRTM</u> Area, provided that the ISO may continue operation of the Real-Time Market without the participation of the EIM Entity for a reasonable additional period of time in order to implement a resolution of the market or system operational issues if the resolution is identified within 60 days after issuance of the</p>	<p>The ISO does not object to SCE’s proposed changes from “discontinuation” to “suspension” to illustrate the more temporary nature of the actions. In fact, the ISO proposes to implement these changes consistently throughout section 29.1(d) by removing “or Discontinuation” from the heading of (d), changing “Discontinuation” to “Suspension” in the heading of (d)(3)(a), and changing “discontinuation” to “suspension” in (d)(4), (d)(4)(i), (d)(5), and (d)(5)(iii). The ISO also agrees to change “the” to “an” as proposed.</p> <p>As for the proposed change of “EIM Area” to “RTM Area,” the ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p>Market Notice.</p> <p>[change of “the” to “an”] This is to clarify that it is not a one-time exception but occurs each time a new EIM Entity joins.</p>	and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.	
29.1(d)(1)	WPTF	This clause [“if market or system operational issues adversely impact any portion of the EIM Area”] is still quite broad given the lack of specificity with this phrase. Can this be tightened at all, for example to say any reliability or Market Disruption impact?	The ISO is concerned that identifying examples could lead to inappropriate limits on the ISO’s ability to respond to unanticipated circumstances. The language proposed by the ISO is similar to that used before, and, for the limited period of time it applies, the ISO considers it appropriate.	Final
29.1(d)(2)	SCE	<p>(2) CAISO Termination. If the CAISO is not able to identify a resolution of the EIM-related market or system operational issues within 60 days after issuance of the Market Notice of temporary suspension discontinuation of EIM participation by an EIM Entity, the CAISO may, upon issuance of a subsequent Market Notice, extend the suspension discontinuation of EIM participation by the EIM Entity for a time sufficient to: (1) <u>implement a resolution to resolve adverse impacts or</u> (2) process termination of the EIM Entity’s participation in the Real-Time Market.</p>	The suggested addition is covered under 29.1(d)(1) and not appropriate here. If the ISO is unable to resolve the issue, the result is termination. [Also see the ISO’s proposed clarification of this language set forth below as an ISO comment on this tariff section.]	Final
29.1(d)(2)	WPTF	This [“the CAISO may, upon issuance of a subsequent Market Notice, extend the suspension of EIM participation by the EIM Entity for a time sufficient to process termination of the EIM Entity’s participation in the Real-Time Market”] seems to give the ISO a lot of authority without much specificity. Okay?	The ISO considers this an appropriate level of specificity for the tariff. [Also see the ISO’s proposed clarification of this language set forth below as an ISO comment on this tariff section.]	Final

Section	Party	Comment	ISO Response	Round of Comments
29.1(d)(2)	ISO	(2) CAISO Termination. If the CAISO is not able to identify a resolution of the EIM-related market or system operational issues within 60 days after issuance of the Market Notice of temporary discontinuation-suspension of EIM participation by an EIM Entity, the CAISO may, upon issuance of a subsequent Market Notice, terminate the extend the discontinuation of EIM participation by the EIM Entity <u>in the Real-Time Market and may extend the discontinuation suspension of EIM participation by the EIM Entity</u> for a time sufficient to process process the termination of the EIM Entity's participation in the Real-Time Market of the EIM Entity Agreement.	ISO proposed clarification. The ISO proposes this clarification to distinguish the more immediate termination of the EIM Entity's participation in the Real-Time Market from the potentially longer process to follow the procedures to terminate its EIM Entity Agreement in accordance with the terms of the agreement.	Final
29.1(d)(3)(A)	SCE	(3) Reinstatement. (A) After Temporary Discontinuation. The CAISO may reinstate EIM operations after a temporary suspension discontinuation of EIM participation by an EIM Entity by issuing a Market Notice announcing the intended reinstatement no less than 5 days in advance of the reinstatement date.	The ISO does not object to SCE's proposed changes from "discontinuation" to "suspension" to illustrate the more temporary nature of the actions. In fact, the ISO proposes to implement these changes consistently throughout section 29.1(d) by removing "or Discontinuation" from the heading of (d), changing "Discontinuation" to "Suspension" in the heading of (d)(3)(a), and changing "discontinuation" to "suspension" in (d)(4), (d)(4)(i), (d)(5), and (d)(5)(iii).	Final
29.1(d)(4)(i)	PacifiCorp	PacifiCorp requests that the CAISO consider a change to Section 29.1(d)(4)(i) to the extent that it requires the EIM Entity to continue to submit EIM Base Schedules and associated meter data, to enable continued EIM operation, <u>until</u> the CAISO issues a subsequent Market Notice that a cause of a temporary discontinuation has been resolved and the EIM has been reinstated. It is not the case that such activity by the EIM Entity would be suspended or cease when a temporary discontinuation is resolved. Section 29.1(d)(4)(i) should clarify that, upon resolution, EIM operations should return to normal, with an appropriate cross-reference to	In response to this comment, the ISO will include a reference in this section to EIM participation by the EIM Entity returning to normal similar to the change proposed by PacifiCorp. For consistency, the ISO will also make a similar change to section 29.1(d)(5)(iii).	Final

Section	Party	Comment	ISO Response	Round of Comments
		Section 29.		
29.1(d)(5)	PacifiCorp	Section 29.1(d)(5) requires the CAISO to prevent EIM Transfers in the event it issues a Market Notice of the temporary discontinuation of EIM participation by an EIM Entity. PacifiCorp requests that the CAISO clarify the procedures it will use to “prevent” EIM Transfers or include a reference to the BPM which will describe such procedures.	The ISO will include references to the BPMs in both (i) and (ii).	Final
29.1(d)(5)(i)	SCE	(5) CAISO Action. In the event the CAISO issues a Market Notice of the temporary discontinuation of EIM participation by an EIM Entity, the CAISO shall— (i) prevent EIM Transfers and separate the EIM Entity Balancing Authority Area from operation of the Real-Time Market in the <u>RTM EIM</u> Area;	The ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.	Final
29.1(d)(5)(i)	WPTF	It seems like the ISO simply should revert to the pre-EIM configuration (e.g., tags, etc) rather than preventing flows all together. Need to modify this or add another sub item that says reinstate pre-EIM RT intertie transactions?	It is not appropriate to revert back under the circumstances. Instead, the ISO will effectively isolate the balancing authority area from the EIM, thus allowing a proxy price or other mechanism pursuant to its open access transmission tariff while the issue is resolved.	Final
29.1(d)(5)(ii)	Powerex	Add “to” after “respect”.	The ISO agrees to make this change.	Final
29.2(a)	WPTF	Why deleted. This was a big + in WPTF’s opinion in previous version.	The ISO considers the deleted provision to be unnecessary, as it stated an obligation the ISO has in any event.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.4(b)(1)(C)	PacifiCorp Supplemental	Section 29.4(b)(1)(C) states “During any interruption of the normal operation of the Real-Time Market, the EIM Entity as Balancing Authority shall remain responsible for managing the resources in its Balancing Authority Area and the flows on internal transmission lines, including imports into and exports out of its Balancing Authority Area, for the duration of the interruption.” PacifiCorp requests that instead of the broad reference to “interruption” that the CAISO clarify more precisely the circumstances giving rise to the identified responsibility. For example, the CAISO could consider cross-references to other provisions in Section 29 relating to market disruption, temporary discontinuation, etc., as appropriate.	In response to this comment, the ISO will include a cross reference to section 29.7 in this section.	Final
29.4(b)(3)	PacifiCorp	PacifiCorp recommends an additional EIM Entity obligation in Section 29.4(b)(3) to require the EIM Entity to inform the CAISO whether or not the EIM Entity intends to utilize the CAISO forecast consistent with CAISO’s EIM design.	The ISO agrees to make this change.	Final
29.4(b)(3)(A)	PacifiCorp	Section 29.4(b)(3)(A) requires the EIM Entity to perform its obligations in accordance with the EIM Entity Agreement, Section 29, and “other provisions of the CAISO Tariff that by their terms apply to EIM Entities.” In order to aid in clarity, PacifiCorp recommends that the CAISO instead use similar language to what it has proposed for Section 29.1(b)(2)(C).	In response to this comment, the ISO will revise this section to add a cross-reference to section 29.1(b)(2)(C).	Final
29.4(b)(3)(B)	PacifiCorp	Consistent with this comment, PacifiCorp requests that the language in Section 29.4(b)(3)(B) be removed, as such language suggests there is a direct relationship between the CAISO and EIM Transmission Service Providers.	The ISO believes this makes clear that the relationship is between the EIM Entity and the EIM Transmission Service Providers. The section ensures that the EIM Entity uses that relationship to make transmission available to the ISO’s real-time market. Contrary to PacifiCorp’s suggestion, the ISO believes the provision as currently drafted more clearly puts the EIM Entity between the ISO and the EIM Transmission Service Provider.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.4(b)(3)(B)	WPTF	What is the underlying concern here?	The EIM depends upon the reciprocal availability of transmission service. Because the ISO has no relationship with the transmission service providers, it must depend upon the EIM Entity to ensure this.	Final
29.4(b)(3)(G)	PacifiCorp	Section 29.4(b)(3)(G) requires the EIM Entity to determine and inform the CAISO which resource types and transmission service providers or holders are “eligible to participate” in the Real-Time Market. PacifiCorp requests that the CAISO revise this language, as only EIM Participating Resources are “eligible to participate” in EIM. As presently drafted, the provision is trying to also include concepts relating to other transmission owners or transmission rights holders which do not necessarily align with concepts relating to eligibility to participate in EIM. PacifiCorp recommends that the CAISO either revise the provision or bifurcate the concepts into separate provisions.	The ISO will bifurcate and refer to “which transmission service providers or holders of transmission rights will make transmission available to the Real-Time Market.”	Final
29.4(b)(4)(C)	PacifiCorp	While PacifiCorp understands the need for the CAISO to issue a Market Notice associated with a notice of termination, the proposed 10-day period in Section 29.4(b)(4)(C) is too long. The CAISO should be able to issue a Market Notice upon receipt of a notice of termination no later than the day after receipt.	The ISO recognizes the EIM Entity interest in a timely response but does not believe 24 hours is sufficient to process a notice and issue a market notice. Accordingly, the ISO will consider shortening this notice period to 5 business days.	Final
29.4(b)(4)(C)	Six Cities	The reference to “issuance of a Market Notice within 10 days after receipt of such notice” creates ambiguity with respect to the notice period for termination of EIM participation by an EIM Entity. Section 3.2.2 of the EIM Entity Agreement provides for 180 days’ notice for termination of the EIM Entity Agreement. Does Section 29.4(b)(4)(C) contemplate termination of participation in the Real-Time Market on 10 days’ notice? As the Business Practice Manual for the EIM has not yet been posted, the Six Cities request clarification on this point.	No. The 10-day notice will inform market participants of the pending termination. The termination itself must occur according to the EIM Entity Agreement.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.4(b)(5)	PacifiCorp	PacifiCorp strongly supports the addition of Section 29.4(b)(5) (EIM Entity Corrective Actions) to permit EIM Entities to take corrective actions subject to the provisions of their respective open access transmission tariffs (“OATT”). This important change recognizes the need to take immediate mitigation actions following a notice of termination to restrict EIM Transfers and suspend real-time market charges with respect to the EIM Entity.	Understood.	Final
29.4(c)(4)	PacifiCorp Supplemental	Section 29.4(c)(4) requires the EIM Entity Scheduling Coordinator to “obtain any transmission service necessary for the EIM Entity it represents to participate in the Real-Time Market under the terms of the CAISO Tariff or the tariff of another transmission service provider, as applicable” (emphasis added). PacifiCorp does not believe that an EIM Entity or EIM Entity Scheduling Coordinator should be required to “obtain” transmission service in the manner suggested. For example, PacifiCorp in its role as an EIM Entity will not be purchasing transmission rights and reservations from other transmission service providers to enable the EIM as is suggested by the provision. Sections 29.4(b)(3)(E) and 29.17 should be sufficient to ensure that the MO is informed of the transmission capacity that is available to the EIM.	The ISO has reviewed this further and agrees that the other sections referenced sufficiently address the ISO’s interest in ensuring sufficient transmission is made available in the EIM and real-time markets. In response to this comment and the comment of WPTF, the ISO proposes to delete subsection (c)(4)(C).	Final
29.4(c)(4)(C)	Powerex	Lines 3-4: “transmission service provider” should be “Transmission Service Provider” (Global Edit)	The defined term only applies to those transmission service providers that have made transmission available to the EIM. This is a more generic reference and should not be capitalized. In addition, in response to PacifiCorp’s supplemental comment and WPTF’s comment, the ISO proposes to delete this subsection.	Final
29.4(c)(4)(C)	WPTF	Vague. How does ISO verify compliance?	In response to this comment and PacifiCorp’s supplemental comment, the ISO proposes to delete this subsection.	Final
29.4(c)(4)(F)	PacifiCorp	PacifiCorp proposes striking the words “and that are included in an EIM Resource Plan,” in Section 29.4(c)(4)(F); EIM Resource Plans will not include Interchange adjustments	The purpose of this provision is to allow the EIM Entity until T-20 to tag its interchange schedules included in the EIM base schedule, consistent with WECC e-tag rules.	Final

Section	Party	Comment	ISO Response	Round of Comments
		made after T-40, whereas the provision in question references T-20.		
29.4(c)(4)(G)	WPTF	What does this obligate exactly? Specify or remove.	Each EIM Entity scheduling coordinator must coordinate tagging and scheduling at the interties to ensure accuracy of the base schedules.	Final
29.4(c)(4)(K)	SCE	In Section 29.4 (c) (4) needs to make clear that an EIM Entity Schedule Coordinator will not submit bids as they will have confidential market information from other participants and nonparticipants. <u>(k) will not submit bids in the FMM or RTM.</u> This is to make clear that they are different from other SC in that as they have confidential market information they will not submit bids.	This is precluded by the fact that the EIM Entity scheduling coordinator cannot be a scheduling coordinator for a resource (absent compliance with FERC standards of conduct), which is the only type of scheduling coordinator that submit bids, so the additional proposed language is not necessary.	Final
29.4(d)	SCE	(d) EIM Resources.	The ISO proposes to revise this reference to better differentiate the resource from the owner or operator in both section 29.4(d) and in the definitions. The ISO's proposed clarification is set forth below as an ISO comment on this section.	Final
29.4(d)	ISO	(d) EIM Resources. (1) Eligibility. The owner or operator of an EIM Resource Resources, including Generating Units, Physical Scheduling Plants, Loads of Participating Loads, Proxy Demand Resources, System Resources, non-generator resources, dynamic transfers, and other resources qualified to participate in the Real-Time Market are eligible to become an EIM Participating Resource if the EIM Resource —	ISO proposed clarification. The ISO proposes this clarification to better differentiate the resource from the owner or operator.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.4(d)(1)(A)	PacifiCorp	In Section 29.4(d)(1)(A), PacifiCorp proposes that the CAISO replace the term “scheduled” with “pseudo-tied.”	In response to this comment, the ISO proposes to include a reference to dynamic transfer in this section to reflect the possibility that pseudo-ties or dynamic scheduling may be permitted by the EIM Entity. The ISO believes that the reference to “scheduled” should remain in the event the EIM Entity elects to allow economic bidding on its interties. The ISO does not want to revisit its tariff in that circumstance, and this language supports the possibility.	Final
29.4(d)-(e)	PacifiCorp	The CAISO should include provisions in Section 29.4(d) (concerning EIM Resources) and 29.4(e) (concerning EIM Participating Resource Scheduling Coordinators) requiring the CAISO to inform the EIM Entity when it has authorized (or de-authorized) an EIM Participating Resource or an EIM Participating Resource Scheduling Coordinator to participate in the EIM after meeting all of the CAISO’s requirements. PacifiCorp and other EIM Entities will need these notifications so that they can issue the final certification authorization to its participating customers or take action to withdraw the certification and include the resource as a nonparticipating resource in the EIM Entity Base Schedule. The CAISO and the EIM Entity must coordinate and be in agreement as to the status of each resource to avoid unnecessary imbalance charges.	The ISO appreciates the need for notification and coordination but is not sure it is required to be in the tariff. Accordingly, the ISO will consider including such procedures in the business practice manual.	Final
29.4(e)(3)(C)	Viasyn	EIM Participating Resource Scheduling Coordinators (EIM PRSCs) should not be required, pursuant to proposed Tariff Section 29.4(e)(3)(C), to certify that it has disclosed its complete list of clients and client resources to its client-base. This type of disclosure is not required in the existing CAISO Service Territory and provides no fair and defensible benefit to the stakeholders involved. Indeed, the only benefits that could result from such a disclosure is (1) nonmarket-based asymmetric information advantages for Participating Generators in the negotiation of contracts with Scheduling	The ISO understands the concern and recognizes that its limited interest in ensuring awareness of multiple representations is outweighed by the commercial interests of a scheduling coordinator in managing its business and its customers. In response to this comment and the comment of WPTF, the ISO proposes to remove the certification and notification requirement from this section.	Final

Section	Party	Comment	ISO Response	Round of Comments
		Coordinators, and (2) collusion and/or anti-competitive behavior on the part of Participating Generators (who in many instances are also a Scheduling Coordinator) to run a competing Scheduling Coordinator out of the market. We view neither of these consequences of such a disclosure as legitimate, and encourage CAISO to remove this clause all together.		
29.4(e)(3)(C)	WPTF	Still not clear why it is the ISO's concern if an SC represents more than one PR. Shouldn't this be business concern of the parties and not of the ISO?	The ISO understands the concern and recognizes that its limited interest in ensuring awareness of multiple representations is outweighed by the commercial interests of a scheduling coordinator in managing its business and its customers. In response to this comment and the comment of Viasyn, the ISO proposes to remove the certification and notification requirement from this section.	Final
29.4(e)(3)(D)	WPTF	Still not clear why it is the ISO's concern if an SC represents more than one PR. Shouldn't this be business concern of the parties and not of the ISO? This limitation does not currently exist in the tariff for the CAISO footprint does it?	The ISO understands the concern and recognizes that its limited interest in ensuring awareness of multiple representations is outweighed by the commercial interests of a scheduling coordinator in managing its business and its customers. In response to this comment, the ISO proposes to remove the certification and notification requirement from this section.	Final
29.4(e)(4)(C)	WPTF	How is compliance verified?	The ISO must have assurance that the resource has transmission service since it is not obtained through the ISO.	Final
29.6(b)	PacifiCorp	As drafted, the reference in Section 29.6(b) (EIM Communications and OASIS) to Section 6 of the CAISO Tariff is overbroad. In particular, Section 6.3.1 may authorize the CAISO to communicate directly with resources located in PacifiCorp's Balancing Authority Areas ("BAAs") as required to ensure System Reliability, in situations of deteriorating system conditions. PacifiCorp is concerned this language would	In response to PacifiCorp's comment, the ISO proposes to revise this section in a manner similar to that proposed by PacifiCorp to exclude the direct communication in emergencies. However, Sections 6.5.2.2.2 and 6.5.2.2.3 are already not applicable by virtue of section 29.1(b)(2) and by the fact that EIM Market Participants cannot submit such bids. The ISO believes including a specific reference here would	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p>permit the CAISO to address a reliability concern in an EIM Entity's BAAs by supplanting the EIM Entity's Manual Dispatch responsibility as the Balancing Authority. Accordingly, PacifiCorp proposes the following revisions to Section 29.6(b):</p> <p>(b) EIM Communications and OASIS. Section 6 shall govern communications and information availability regarding the participation of EIM Market Participants in the Real-Time Market except that-</p> <p>(1) references to internal resources shall be deemed to include EIM Resources;</p> <p>(2) references in Sections 6.2.2.1 and 6.5.2.1 to the CAISO Controlled Grid and references in Sections 6.5.4.2.2(a) and 6.5.5.1.1 to CAISO Balancing Authority Area shall be deemed references to the EIM Area;</p> <p>(3) <i>the portion of Section 6.3.1 that authorizes the CAISO to communicate directly with Generators and Demand Response Providers to ensure System Reliability shall not apply to Generators and Demand Response Providers in the EIM Entity's BAA or pseudo-tied from an external BAA to the EIM Entity BAA;</i></p> <p>(4) <i>Section 6.5.2.2.2 does not apply to EIM Resources; and</i></p> <p>(5) <i>Section 6.5.2.3.3 does not apply to EIM Entities.</i></p> <p>Sections 6.5.2.2.2 and 6.5.2.3.3 should not apply to the EIM to the extent they concern the authority to bid in the Day-Ahead Market and ancillary service requirements, respectively.</p>	<p>create a negative implication for other sections in which such a disclaimer is not used.</p>	
29.6(b)(2)	SCE	Referring to all resources everywhere or just in the EIM Entities?	The definition of "EIM Area" includes the ISO balancing authority area.	Final
29.7(b)	SCE	<p>(b) Normal EIM Operations. The CAISO shall administer the transmission capacity made available to the Real-Time Market to manage Energy imbalances in the <u>EIM-RTM</u> Area under normal operations.</p>	<p>The ISO is considering the merits of replacing the term "EIM Area" with the term "RTM Area" in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
			matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.	
29.7(c)	PacifiCorp	Section 29.7(c) (Load Curtailment) provides that the CAISO will not issue Dispatch Instructions to an EIM Entity Scheduling Coordinator with respect to Load or Demand that has not been bid into the Real-Time Market. Assuming a Load or Demand has elected to participate in EIM (as those terms are defined by the CAISO Tariff), PacifiCorp assumes that such participants would have their own Scheduling Coordinators. Thus, the reference to Dispatch Instructions would seem to be directed to the Scheduling Coordinators of the participating Load or Demand rather than the EIM Entity Scheduling Coordinator.	If the resource were bid into the EIM the dispatch would go to the EIM Participating Resource Scheduling Coordinator.	Final
29.7(e)	PacifiCorp	PacifiCorp understands the opening sentence in Section 29.7(e) (EIM Transfers) to mean that the CAISO will manage EIM Transfers as aggregate Dynamic Schedules with each EIM Entity BAA. PacifiCorp understands that, as a result of the CAISO's implementation of Order No. 764, there is some question as to whether the CAISO maintains the ability to aggregate transfers in this manner. Accordingly, the CAISO should clarify or confirm. One typographical note: the CAISO should remove the "the" before "EIM Transfers" in the first sentence of Section 29.7(e).	FERC Order 764 implementation does not impact the implementation of hourly e-tags to manage the aggregated dynamic schedule, which is netted over the operating hour. Regarding the typographical note, the ISO agrees to make this change.	Final
29.7(e)(4)	SCE	(4) shall be updated within 60 minutes after the end of each Operating Hour to include the integrated Energy during the hour for the sum of all EIM Transfers between each Balancing Authority Area in the <u>EIM-RTM</u> Area in accordance with WECC business practices for purposes of inadvertent Energy accounting; and	The ISO is considering the merits of replacing the term "EIM Area" with the term "RTM Area" in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference	Final

Section	Party	Comment	ISO Response	Round of Comments
			regarding the choice between these terms for use in these tariff provisions.	
29.7(e)(4)	PacifiCorp Supplemental	Section 29.7(e)(4) (EIM Transfers) should be modified to add the phrase “by CAISO” between the words “updated” and “within.”	The ISO will include this proposed change.	Final
29.7(h)(2)	PacifiCorp	Section 29.7(h)(2) only refers to EIM Manual Dispatches to resources; however, it is possible that a Load or Demand could also receive a Manual Dispatch from the EIM Entity and such dispatch would also need to be communicated to the CAISO. The CAISO should revise this section accordingly.	Load or demand that is dispatchable is a supply resource. If non-dispatchable load is curtailed that would not be a Manual Dispatch, but would need to be reflected in the base schedule.	Final
29.7(i)(2)	PacifiCorp Supplemental	Section 29.7(i)(2) should be modified to use the defined abbreviation “LMP.”	In response to this and other comments, the ISO proposes to change “Location” to “Locational,” consistent with its defined terms.	Final
29.7(i)(2)	Powerex	Change “Location” to “Locational”	The ISO agrees to make this change.	Final
29.7(i)(2)	SCE	Is this process covered in the current tariff? If yes, then include a reference.	This is not covered in the current tariff.	Final
29.7(i)(2)	Six Cities	In the first line, change “Location” to “Locational”.	The ISO agrees to make this change.	Final
29.7(j)	Powerex	“Disruption” was changed to “Interruption” inconsistently.	Not exactly. Disruption is what happens and interruption may be a response to the disruption. The ISO will give further consideration to clarifying this distinction.	Final
29.7(j)(1)(A)	SCE	(j) EIM Disruption. (1) Declaration. The CAISO may declare an interruption	The ISO agrees to make a revision similar to the first change, adding a specific reference to interruption of participation in the Real-Time Market.	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p>of the EIM <u>Entity participation</u> when in its judgment— (A) operational circumstances (including a failure of the Real-Time Market operation to produce feasible results in the <u>EIM-RTM</u> Area or other CAISO Market Disruption) in the <u>EIM-RTM</u> Area have caused or are in danger of causing an abnormal system condition in the CAISO Balancing Authority Area or an EIM Balancing Authority Area that requires immediate action to prevent loss of Load, equipment damage, or tripping system elements that might result in cascading Outages, or to restore system operation to meet Applicable Reliability Criteria; or</p>	<p>As for the other proposed revisions, the ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.</p>	
29.7(j)(2)	PG&E	<p>This section states that the CAISO may “establish an Administrative Price in the Real-Time Market” to address EIM disruptions. Will this Administrative Price be set according to the same rules established in Section 7.7.4 “Intervention In CAISO Market Operations” of the existing CAISO tariff? If so, PG&E recommends a reference to Section 7.7.4 be made in this section.</p>	<p>This is correct. In response to this comment, the ISO proposes to include a cross-reference in this section to section 7.7.4.</p>	Final
29.7(j)(2)(A)-(B)	SCE	<p>(2) CAISO Response to EIM Disruption. If the CAISO declares an EIM interruption, the CAISO may in its judgment, among other things— (A) separate the affected EIM Entity Balancing Authority Area from the <u>EIM-RTM</u> Area and maintain the Real-Time Market for other Balancing Authority Areas in the <u>EIM-RTM</u> Area by enforcing a net transfer constraint for the affected Balancing Authority Area to separate it from the remainder of the <u>EIM-RTM</u> Area; (B) reduce or suspend EIM Transfers between one or more Balancing Authority Areas in the <u>EIM-RTM</u> Area;</p>	<p>The ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
29.7(j)(2)(C)	PacifiCorp	Section 29.7(j)(2)(C) should be revised to provide that, if the CAISO declares an EIM interruption, the CAISO may “instruct one or more EIM Entities to <i>maintain system balance without EIM dispatch</i> ” or other modification which is consistent with the principle that the EIM Entity always retains dispatch authority over resources within its BAAs.	The ISO agrees to make a change similar to the proposed revision.	Final
29.7(j)(2)(D)	SCE	(D) in addition or as an alternative, establish an Administrative Price <u>per Section 7.7.4</u> in the Real-Time Market.	The ISO agrees to make a change similar to the proposed revision, substituting “in accordance with” for “per,”	Final
29.7(j)(5)	SCE	(5) System Restoration. The CAISO shall reinstate normal operation of the Real-Time Market in the <u>EIM-RTM</u> Area at such time as it determines that the EIM disruption has been resolved.	The ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.	Final
29.7(j)(d)	Powerex	CAISO has added new proposed text that would provide it with the optionality to establish an Administrative Price in the Real-time Market in response to a disruption. The provision contains no detail as to how that Administrative Price will be determined, however, and this detail should be added. In other contexts when a disruption occurs, the locational marginal price (“LMP”) is set at the last valid LMP and the schedules are fixed at the last dispatch level. New awards that occur in these circumstances are often exceptional dispatches (that are made manually) that respect bids. It is unclear what process the CAISO intends to use in the EIM to establish an Administrative Price. This specificity is required. As CAISO is well aware, problems have arisen in the past with regard to lack of clarity in the process leading to the establishment of	In response to this and other comments, the ISO proposes to include a cross-reference in this section to section 7.7.4 of the ISO tariff.	Final

Section	Party	Comment	ISO Response	Round of Comments
		administrative prices. CAISO conceded that greater clarity would be beneficial. In light of this background, CAISO should not introduce similar problems into the EIM by proposing vague mechanisms sure to precipitate controversy if ever utilized. The Tariff should be revised clearly to explain how Administrative Prices will be established for EIM.		
29.9(b)	SCE	(b) Transmission Maintenance Scheduled Outages.	The ISO agrees to make this change to further clarify the distinction between the treatment of transmission outages in the ISO balancing authority area and the EIM balancing authority areas.	Final
29.9(b)(1)	PacifiCorp	The CAISO should strike the following language from Section 29.9(b)(1): “including the transmission capacity made available by an EIM Transmission Service Provider to the Real-Time Market.” This deletion would be consistent with PacifiCorp’s comments below on the use of the appropriateness of the defined term “EIM Transmission Service Provider” in the CAISO Tariff.	This information is required from the transmission service provider through the EIM Entity, and this should remain an obligation in the ISO tariff.	Final
29.9(b)(2), (b)(3), (c)(2)	PacifiCorp	Sections 29.9(b)(2), (b)(3), and (c)(2) covering Transmission and Generation Maintenance Outages require notice of outages “in accordance with the deadlines set forth in Section 9.” Although improvements to cross-references in this section have been made, PacifiCorp submits that this broad cross-reference still raises questions regarding the specific deadlines expected of EIM Entities due to the multiple notification requirements (e.g., annual, quarterly, 30 days prior to the month, seven days in advance) referenced throughout Section 9 of the CAISO Tariff. PacifiCorp proposes that the EIM Entity should provide information on planned outages seven days in advance, and that Section 29.9 should reflect this requirement.	The ISO utilizes information made available in advance of the 7-day window and, for purposes of consistency in administering the real-time market, maintains that these submissions are important.	Final
29.9(b)(3)	SCE	(3) Notice of Modification. The EIM Entity Scheduling Coordinator may submit a notice of modification of an approved transmission Outage and any resulting updates to EIM <u>Entity</u> Intertie limits to the CAISO by the means set forth	The defined term is EIM Intertie, not EIM Entity Intertie.	Final

Section	Party	Comment	ISO Response	Round of Comments
		in the Business Practice Manual for the Energy Imbalance Market and in accordance with the deadlines set forth in Section 9.		
29.9(b)(4)(B)	WPTF	Does this mean that the CAISO approves the EIM Entities' transmission outages, or...	No.	Final
29.9(c)(3)(B)	WPTF	Will then EIM entity will in fact require notification of outages?	Yes. The ISO needs to know about approved generation outages and prefers a single point of responsibility for providing this information.	Final
29.9(d)	SCE	(d) Actions Regarding Maintenance-Scheduled Outages.	The ISO agrees to make this change to further clarify the distinction between the treatment of generation and transmission outages in the ISO balancing authority area and the EIM balancing authority areas.	Final
29.9(d)(1)	SCE	(1) CAISO Evaluation of Maintenance-Scheduled Outages. The CAISO will implement the transmission and Generation Outages approved by the EIM Entity through the Day-Ahead Market process and will inform the EIM Entity Scheduling Coordinator of any anticipated overloads.	The ISO agrees to make this change to further clarify the distinction between the treatment of generation and transmission outages in the ISO balancing authority area and the EIM balancing authority areas.	Final
29.9(d)(2)	SCE	Is this needed for operations? Is this requirement covered elsewhere?	The response is the decision of the EIM Entity, and the ISO views it as important to inform the ISO and the reliability coordinator.	Final
29.10(a)	PG&E	This section would exclude Generating Units that are under 10 MW from telemetry requirements. The way the section is worded would seem to require that an EIM Resource under 10 MW that is not Generating Unit (e.g. a Participating Load, Demand Response Resource) to meet the telemetry requirements. If that is the case, the CAISO should explain why an EIM Resource under 10 MW that is not a Generating Unit must have telemetry while a Generating Unit under 10 MW is excused from having telemetry. If that is not the case, the wording should be changed.	This was the intent. There is a 10 MW exception for participating generators, per the policy. In establishing the telemetry requirements in the business practice manual, the ISO will consider whether also to exempt other resources but at this time considers generation and other resources to have different characteristics for purposes of the requirement of telemetry to the ISO.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.10(a)	SCE	Metering requirements should be same for all RTM participants. The current threshold for telemetry is 1 MW in the CAISO. EIM Resources should meet the same standard. A phase in period for older resources is acceptable. In this is the case, then less than 10 mw but greater than 1 mw should be a phase in	There is a 10 MW exception for participating generators, per the policy. In establishing the telemetry requirements in the business practice manual, the ISO will consider whether also to exempt other resources but at this time considers generation and other resources to have different characteristics for purposes of the requirement of telemetry to the ISO.	Final
29.10(a)	SCE	Since EIM resources are part of the real-time market, they should be held to the same standards as current CAISO participants. This section would grant EIM resources a different standard. A grace period to allow them to upgrade equipment is acceptable and a specific time period to achieve compliance should be specified in Section 29.	There is a 10 MW exception for participating generators, per the policy. In establishing the telemetry requirements in the business practice manual, the ISO will consider whether also to exempt other resources but at this time considers generation and other resources to have different characteristics for purposes of the requirement of telemetry to the ISO.	Final
29.10(d)	PacifiCorp	Section 29.10(d) (Interchange Meter Data) provides that Metering for Settlement purposes is required for all EIM Interties. PacifiCorp understands that interchange interval meter data will not be interfaced from an EIM Entity to the CAISO and that, rather, e-Tags will be used to constitute the actual settlement quality meter data at the EIM Entity interchange points. To the extent this understanding is accurate, PacifiCorp recommends that the CAISO modify Section 29.10(d).	This is for the calculation of UFE for the EIM Entity balancing authority area. For imports/exports, the energy profile on the e-tag will be deemed delivered energy for settlement purposes of imports and exports.	Final
29.10(e)	Powerex	In addition to being just and reasonable, rates, terms and conditions of transmission service must be “non-discriminatory” in order to comply with the Federal Power Act. Against that backdrop, it is difficult to understand how different charges for transmission service in the FMM and the EIM can be justified. The same transmission lines are being used, and the same cost of providing the service is incurred, yet CAISO proposes that one use will be compensated and the other use will not be compensated, leading to a classic discriminatory outcome. Moreover, the outcome is economically irrational, inefficient and detrimental to reliability as it would encourage	The ISO has previously responded to Powerex’s comments in this regard. In particular, these provisions are necessary to reconcile economic interchange schedules and block intertie schedules.	Final

Section	Party	Comment	ISO Response	Round of Comments
		shifting transactions to the temporal market in which costs to transact are lower, even if that market is closer to real time and leads to greater forward uncertainty as to the adequacy of power supply.		
29.11	PacifiCorp	<i>General Comments:</i> One general note relating to comments that appear in several specific sections below: it would be very helpful if the CAISO clearly delineated which settlement sections should apply to EIM Participating Resources and non-participating resources, as this would assist EIM Entities in demonstrating the various charges that will be sub-allocated to appropriate entities. For example, Section 29.11(b) provides that only an EIM Participating Resource will receive/pay the FMM Instructed Imbalance Energy (“IIE”) charge. PacifiCorp has understood that a non-participating resource that responds to a Manual Dispatch would also be settled as IIE; as such, the CAISO should clarify whether non-participating resources are included in this and other provisions.	Understood.	Final
29.11	PacifiCorp	Related to this, PacifiCorp understands that the EIM Entity will be subject to a number of CAISO settlement allocations, including: Daily and Monthly Neutrality Adjustment; Daily and Monthly Rounding Adjustment; CAISO Generator Interconnection Process Forfeited Deposit Allocation; Invoice Deviation (distribution and allocation); Default Invoice Interest Payment; Default Invoice Interest Charge; Invoice Late Payment Penalty; Financial Security Posting (Collateral) Late Payment Penalty; Shortfall Receipt Distribution; Shortfall Reversal; Shortfall Allocation; and Default Loss Allocation. These charges and payments, and any others not currently listed, should be specifically identified in Section 29.11. EIM Entities need a complete set of defined allocations from the CAISO in order to be able to appropriately sub-allocate the charges and payments under their respective OATTs.	The ISO has provided a list of charges associated with th EIM and will continue to work through the implementation process with the publication of configuration guides, business practice manuals, and other materials to clarify the application of ISO real-time market charges to the EIM.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.11	PacifiCorp	In addition, PacifiCorp requests that the CAISO consider either supplementing this Section 29.11 or including in its EIM BPM a provision clarifying which of the enumerated charge codes would continue to apply in periods during which the CAISO is preventing EIM Transfers consistent with its Tariff.	See response above.	Final
29.11	PacifiCorp	<p><i>Settlement Dispute Timing:</i> PacifiCorp also requests that the CAISO extend the timeframe under which EIM Entities may raise a settlement dispute with the CAISO. As proposed, Section 29.11 states that the CAISO shall assess such charges, address disputed invoices, and make any financial adjustments in accordance with the settlements process and schedule set forth in Section 11 of the CAISO Tariff. Under Section 11.29.8.4.3, the CAISO will issue a settlement statement on T+55B based on actual polled and reported meter data. Based on the current timelines in the CAISO Tariff, the EIM Entity would then have only 22 business days, until T+77B, to raise disputes. This 22-day window affords insufficient time for the EIM Entity to: (1) process the settlement statement; (2) sub-allocate to customers, in accordance with the monthly billing cycle; (3) provide a period for customer review; and (4) raise with the CAISO any disputes identified by customers.</p> <p>PacifiCorp's transmission customers should have the ability to dispute whether or not a CAISO charge was properly allocated to the EIM Entity. While the PacifiCorp EIM Entity can itself raise a dispute, it must not be solely responsible for this review, especially as important data may be in the possession of a transmission customer with a non-participating resource. As a result, PacifiCorp suggests that an EIM Entity should have until T+110B to raise a dispute under Section 29.11. The additional 33 business days would provide time for the EIM Entity to review and process the sub-allocations and then provide the information to customers in advance of invoicing. It would also allow time after invoices</p>	The same timelines must apply across the real-time market by design and necessity.	Final

Section	Party	Comment	ISO Response	Round of Comments
		are issued for a customer to identify a dispute, and for the EIM Entity and the customer to determine if the dispute involves the original allocation from the CAISO to the EIM Entity.		
29.11(a)	ISO	(a) Applicability. Section 29.11, rather than Section 11, shall apply to the CAISO Settlement with EIM Entity Scheduling Coordinators and EIM Participating Resource Scheduling Coordinators, except as otherwise provided, <u>but not to other Scheduling Coordinators.</u>	ISO proposed clarification. The ISO proposes this clarification to ensure that only EIM participants are subject to the settlement provisions of section 29.11.	Final
29.11(b)(1)	PG&E	PG&E has two comments on this section. First, this section references existing tariff Sections 11.5.1.1 and 11.5.1.2. PG&E believes the correct reference should be Section 11.5.1.1 alone. Second, the reference to Section 11.5.1.1 applies to both subsections (A) “Calculation” and (B) “Settlement” within this Section 29.11(b)(1) and should be referenced in both subsections or at the section level.	PG&E is correct about only referring to 11.5.1.1. In response to this comment, the ISO proposes to delete the reference to section 11.5.1.2 from this section and make other clarifying changes, which the ISO has shown below as an ISO comment on this tariff section. The ISO does not believe that (B) requires a cross reference. The reference stands by itself.	Final
29.11(b)(1)	ISO	(b) Imbalance Energy. (1) FMM Instructed Imbalance Energy. (A) Calculation. (i) EIM Participating Resources. The CAISO will calculate an EIM Participating Resource’s FMM Instructed Imbalance Energy <u>in the same manner as it calculates FMM Instructed Imbalance Energy under according to Section 11.5.1.1 and Section 11.5.1.2</u> , except that references to the Day-Ahead Schedule in the relevant Appendix A definitions shall be deemed references to the EIM Base Schedule <u>and that the ISO will include any Energy from an EIM Manual Dispatch Energy of the EIM Participating Resources in the FMM that is identified by the EIM Entity Scheduling Coordinator.</u> (ii) Non-Participating Resources. The CAISO will calculate the FMM Instructed Imbalance Energy of non-	ISO proposed clarification. The ISO proposes these revisions in response to the comments of PG&E and PacifiCorp and in order to provide other clarifications to this section.	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p><u>participating resources as the Energy, if any, from EIM Manual Dispatch of the non-participating resource in the FMM that is identified by the EIM Entity Scheduling Coordinator.</u></p> <p>(B) Settlement. The CAISO will settle—</p> <p>(i) <u>the FMM Instructed Imbalance Energy with the EIM Participating Resource Scheduling Coordinator for EIM Participating Resources; and</u></p> <p>(ii) <u>with the applicable EIM Entity Scheduling Coordinator for non-participating resources.</u></p>		
29.11(b)(1)(B)	PacifiCorp	Section 29.11(b)(1)(B) only allows for settlements of FMM IIE with EIM Participating Resource Scheduling Coordinators. However, non-participating resources will also receive settlements for FMM IIE through the EIM Entity Scheduling Coordinator in the event of FMM Exceptional Dispatch Energy. As such, the CAISO should amend this section.	In response to this comment, the ISO proposes to make revisions to section 29.11(b)(1) to address manual dispatches, as shown above as an ISO comment on this section. However, EIM non-participating resources are not subject to Exceptional Dispatch and therefore cannot have Exceptional Dispatch Energy.	Final
29.11(b)(1)(B)	WPTF	Having struck at the 15-min price, how will the ISO settle it? Why was the “at the LMP” deleted?	“FMM” means 15-minute market as defined by the ISO tariff changes made in association with Order 764. Other changes were necessary as well to be consistent.	Final
29.11(b)(2)	PG&E	Similar to PG&E’s comment above, the reference to Section 11.5.1.2 in this section applies to both subsections (A) “Calculation” and (B) “Settlement” within this Section 29.11(b)(2) and should be referenced in both subsections or at the section level.	The ISO does not believe that subsection (B) needs a cross reference.	Final
29.11(b)(2)	ISO	<p>(2) RTD Instructed Imbalance Energy.</p> <p>(A) Calculation.</p> <p>(i) <u>EIM Participating Resources.</u> The CAISO will calculate an EIM Participating Resource’s RTD Instructed Imbalance Energy <u>in the same manner in which it calculates FMM Instructed Imbalance Energy under according</u> Section 11.5.1.2, <u>except that the ISO will include any Energy from an</u></p>	ISO proposed clarification. The ISO proposes these revisions in response to the comments of PG&E, Powerex, Six Cities, and PacifiCorp and in order to provide other clarifications to this section.	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p><u>EIM Manual Dispatch Energy of the EIM Participating Resources in the RTC that is identified by the EIM Entity Scheduling Coordinator.</u></p> <p><u>(ii) Non-Participating Resources. The CAISO will calculate the RTD Instructed Imbalance Energy of non-participating resources as the Energy, if any, from EIM Manual Dispatch of the non-participating resource in the RTD that is identified by the EIM Entity Scheduling Coordinator.</u></p> <p>(B) Settlement. The CAISO will settle the RTD Instructed Imbalance Energy—</p> <p><u>(i) with the EIM Participating Resource Scheduling Coordinator for EIM Participating Resources; and</u></p> <p><u>(ii) with the applicable EIM Entity Scheduling Coordinator for non-participating resources.</u></p>		
29.11(b)(2)(A)	Powerex	Insert “to” between “according” and “Section”	The ISO proposes to make other revisions to this section that would address this change, as shown above as an ISO comment on this section.	Final
29.11(b)(2)(A)	Six Cities	In the sixth line, insert “to” after “according”.	The ISO proposes to make other revisions to this section that would address this change, as shown above as an ISO comment on this section.	Final
29.11(b)(2)(B)	PacifiCorp	Section 29.11(b)(2)(B) only allows for settlements of RTD IIE with EIM Participating Resource Scheduling Coordinators. However, non-participating resources will also receive settlements for RTD IIE through the EIM Entity Scheduling Coordinator in the event of RTD Exceptional Dispatch Energy or operational adjustments. As such, the CAISO should amend this section.	In response to this comment, the ISO proposes to make revisions to section 29.11(b)(2) to address manual dispatches, as shown above as an ISO comment on this section. However, EIM non-participating resources are not subject to Exceptional Dispatch and therefore cannot have Exceptional Dispatch Energy.	Final
29.11(b)(2)(B)	WPTF	Having struck at the 15-min price, how will the ISO settle it? Why is the “at the 5-minute...” price deleted?	These changes are consistent with Order 764.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.11(b)(3)	PacifiCorp	<p>Section 29.11(b)(3)(C)(i) requires that the calculation of Uninstructed Imbalance Energy be in accordance with Section 11.5.2.2, except that references to the “Day-Ahead Schedule” shall be deemed references to the EIM Base Schedule. PacifiCorp proposes striking the term “Day-Ahead Schedule” in favor of “Day-Ahead Scheduled CAISO Demand” consistent with Section 11 of the CAISO Tariff.</p> <p>In addition, it appears that there is presently no provision in this Section 29.11 allowing nonparticipating resources to receive settlement other than on a five-minute basis. Therefore, any benefits for 15-minute scheduling by variable energy resources are not presently captured. PacifiCorp understands from communications with CAISO that non-participating resources have an ability to avail themselves of some Order No. 764 benefits through 15-minute schedule modifications.</p>	<p>Regarding the first proposed change, the ISO proposes to address this matter by making a different change to simplify this section, as shown below as an ISO comment on section 29.11(b)(3)(C)(i).</p> <p>Regarding the second issue, non-participating resources will be settled in the FMM once their schedule change is reflected in the FMM. For example, a resource that has a forced outage known 37.5 minutes prior to the FMM interval will have this outage reflected in its FMM schedule. The difference between the EIM base schedule and FMM schedule is FMM instructed imbalance energy.</p>	Final
29.11(b)(3)	PacifiCorp Supplemental	<p><i>29.11(b)(3) (Uninstructed Imbalance Energy):</i> Section 29.11(b)(3)(A)(ii) states that “The CAISO will settle the Uninstructed Imbalance Energy with the EIM Participating Resource Scheduling Coordinator or the EIM Entity Scheduling Coordinator, as applicable.” PacifiCorp requests that the CAISO clarify under what precise circumstances the MO would be settling UIE for an EIM Participating Resource with an EIM Entity Scheduling Coordinator. PacifiCorp understands that this will not be the case. In addition, Section 29.11(b)(3)(B)(i) states “For non-participating resources in an EIM Entity Balancing Authority Area, the CAISO will calculate Uninstructed Imbalance Energy as the difference between the 5-minute Meter Data and the EIM Base Schedule, plus any EIM Manual Dispatch Energy identified by the EIM Entity Scheduling Coordinator.” PacifiCorp’s previously submitted comments noted that the Second Draft Tariff seems inconsistent in the settlement treatment of Manual Dispatch, which also appears to be the case with the referenced section.</p>	<p>The EIM Entity SC is not the applicable SC for EIM Participating Resources because it does not represent them. The ISO has addressed the EIM Manual Dispatch issue through its proposed changes to sections 29.11(b)(1) and (b)(2), as shown above as ISO comments on those sections.</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
		PacifiCorp understands that Manual Dispatch should be settled as IIE. Section 29.7(i)(3) states “treat an EIM Manual Dispatch to an EIM Participating Resource or non-participating resource as FMM or RTD Instructed Imbalance Energy for Settlement,” which supports PacifiCorp’s view that Manual Dispatch is to be treated as IIE. Furthermore, also as previously submitted in PacifiCorp’s prior comments, the reference to “the 5-minute Meter Data” does not make clear that non-participating resources in the PacifiCorp EIM Entity Area are not required to have 5-minute Meter Data; rather, it is permissible for these resources to have 15-minute Meter Data, which will be disaggregated into 5-minute intervals.		
29.11(b)(3)	WPTF	Whole section needs clarity given that this detail has been taken out.	This is covered under Order 764 tariff changes.	Final
29.11(b)(3)(A)	PG&E	Similarly, the reference to Section 11.5.2 in this section applies to both subsections (i) “Calculation” and (ii) “Settlement” within this Section 29.11(b)(3)(A) and should be referenced in both subsections or at the section level.	The settlement section does not require a reference because it stands on its own.	Final
29.11(b)(3)(A)(ii)	WPTF	How is the applicability determined? Is it EIM PR SC for non EIM Entity resources, or...?	It is the EIM Participating Resource scheduling coordinator for EIM Participating Resources and the EIM Entity scheduling coordinator for non-participating resources.	Final
29.11(b)(3)(A)(i)	ISO	(3) Uninstructed Imbalance Energy. (A) EIM Participating Resources. (i) Calculation. For EIM Participating Resources and an EIM Entity Balancing Authority Area’s dynamic import/export schedules with external resources, the CAISO will calculate	ISO proposed clarification. The ISO proposes this clarification to simplify this section.	Final

Section	Party	Comment	ISO Response	Round of Comments
		Uninstructed Imbalance Energy <u>in the same manner in which it calculates Uninstructed Imbalance Energy under according to Section 11.5.2.1 except that references to the Day Ahead Schedule in the relevant Appendix A definitions shall be deemed references to the EIM Base Schedule.</u>		
29.11(b)(3)(B)	PG&E	This section states that “the CAISO will settle the Uninstructed Imbalance Energy for non-participating resources at the RTD Locational Marginal Price with the EIM Entity Scheduling Coordinator.” PG&E recommends modifying this section to specify which RTD LMP price is to be used (e.g., at the resource’s RTD LMP).	In response to this comment, the ISO will consider including the modifier “applicable” to indicate it is the resource or other applicable location.	Final
29.11(b)(3)(B)(i)	ISO	(i) Calculation. For non-participating resources in an EIM Entity Balancing Authority Area, the CAISO will calculate Uninstructed Imbalance Energy as the difference between the 5-minute Meter Data and the EIM Base Schedule, less <u>plus</u> any EIM Manual Dispatch Energy <u>of non-participating resources that is</u> identified by the EIM Entity Scheduling Coordinator.	ISO proposed clarification. The ISO proposes these revisions to clarify the factors in the calculation.	Final
29.11(b)(3)(C)	PG&E	Similar to our comment above, PG&E recommends modifying this section to specify the price to be used in settling Uninstructed Imbalance Energy for non-participating load (e.g., the RTD LMP at the appropriate LAP).	In response to this comment, the ISO will consider including the modifier “applicable” to indicate it is the LAP or other applicable location.	Final
29.11(b)(3)(C)(i)	WPTF	It doesn’t make a lot of sense to reference “Appendix A”	See ISO proposed revisions below.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.11(b)(3)(C)(i)	Six Cities	In the third line, insert “Section” before “11.5”.	The ISO agrees to make this change.	Final
29.11(b)(3)(C)(i)	ISO	. . . “except that references to the Day-Ahead Schedule in the relevant Appendix A definitions shall be deemed references to the CAISO will determine deviations based on the EIM Base Schedule.”	ISO proposed clarification. The ISO proposes these revisions to clarify the factors in the calculation.	
29.11(c)(1)	SCE	This appears to be an different process that what is being proposed in the FERC 764 tariff (11.5.3), which will breakdown UFE by Service Areas. This appears to be aggregated by the EIM Entity.	This only applies to EIM Entities. It does not change calculation within the ISO balancing authority area.	Final
29.11(c)(2)	PG&E	By stating “The CAISO will settle Unaccounted For Energy with the EIM Entity Scheduling Coordinator at <u>the</u> Hourly Real-Time LAP price,” this section seems to assume there can be only one LAP per EIM Entity. PG&E recommends modifying this section so it can be generically applied for EIM Entities that may include multiple LAPs.	The ISO agrees to revise this section to make a change in response to this comment.	Final
29.11(d)	PacifiCorp	Section 29(d)(3) provides that the distribution of excess revenues from under- and over-scheduling charges shall be allocated to “Load in the EIM Area that was not subject to” those charges according to metered Demand. PacifiCorp proposes that the CAISO revise this language to indicate whether the excess revenues will be allocated only within the EIM Area that incurred the charge or whether such revenues will be allocated to all EIM Areas that did not exceed the threshold. To the extent it is the latter, the CAISO should revise the language accordingly.	EIM Area refers to the entire area. There are no separate EIM Areas. Therefore, it is allocated throughout all balancing authority areas that did not incur the charges.	Final
29.11(d)	PacifiCorp Supplemen	<i>29.11(d) (Charges for Over- and Under-Scheduling of EIM Entities): Sections 29(d)(1)(A) and (B), (d)(2)(A) and (B) read</i>	The ISO agrees to make the first proposed change. Regarding the second proposed change, the request is	Final

Section	Party	Comment	ISO Response	Round of Comments
	tal	awkwardly. PacifiCorp suggest the addition of the word “at” before each instance of the phrase “a price that is” in each of the referenced sections. In addition, it is not clear in Section 29(d)(3) whether a Load in the EIM Area would be eligible for distribution of penalty revenues when the Load experienced only one hour of penalties during a day. PacifiCorp would prefer that eligibility for distribution of penalty revenues be based upon an hourly assessment of eligibility, even if the calculations are grouped and administered on a daily basis.	contrary to the approved policy which provides for distributions on a daily, not hourly basis, which was a compromise from monthly.	
29.11(d)	SCE	This may need some editing to be clear that amount of 5-10% is a tier 1 penalty and the amount over 10% is subject to the tier 2 penalty.	This is a threshold for the entire amount, and not a limited tier. Consequently, the ISO proposes to clarify this language to make it clear the penalty applies to the entire amount.	Final
29.11(d)(1)	PG&E	As written, sub-section (B) “Tier 2” in this section implies that all of the under-scheduled amounts, relative to base schedule, are subject to the 200% hourly real-time LAP price. To be consistent with the approved design, PG&E recommends this sub-section be modified to apply this Tier 2 price only to the under-scheduled amount that exceeds 5% of base schedule. The amount that is under 5% should be charged the Tier 1 price.	This is a threshold for the entire amount, and not a limited tier. Consequently, the ISO proposes to clarify this language to make it clear the penalty applies to the entire amount.	Final
29.11(d)(1)(A)	SCE	(A) Tier 1. If, during any Trading Hour, the <u>amount of</u> metered Demand within an EIM Entity Balancing Authority Area exceeds the EIM Base Schedule of Supply submitted by the EIM Entity by more than 5% but less than or equal to 10% and by at least 2 MW, the CAISO shall charge the EIM Entity Scheduling Coordinator for the Uninstructed Imbalance Energy at the EIM Entity Load Aggregation Point a price that is 125% of the Hourly Real-Time LAP Price.	This is a threshold for the entire amount, and not a limited tier. Consequently, the ISO proposes to clarify this language to make it clear the penalty applies to the entire amount.	Final
29.11(d)(1)(A)	WPTF	Where is this term defined? Shows up a little differently in the Order 764 tariff.	The ISO will review terms to ensure consistency wit Order 764 tariff usage.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.11(d)(1)(B)	SCE	(B) Tier 2. If, during any Trading Hour, the <u>amount of</u> metered Demand within an EIM Entity Balancing Authority Area exceeds the EIM Base Schedule of Supply submitted by the EIM Entity by more than 10% and by at least 2 MW, the CAISO shall charge the EIM Entity Scheduling Coordinator the Uninstructed Imbalance Energy at the EIM Entity Load Aggregation Point a price that is 200% of the Hourly Real-Time LAP price.	This is a threshold for the entire amount, and not a limited tier. Consequently, the ISO proposes to clarify this language to make it clear the penalty applies to the entire amount.	Final
29.11(d)(1)(B)	WPTF	Where is this term defined? Shows up as a little different in the Order 764 tariff.	The ISO will review terms to ensure consistency with Order 764 tariff usage.	Final
29.11(d)(2)	PG&E	Similar to our comment above on under-scheduling, sub-section (B) “Tier 2” in this section implies that all of the over-scheduled amounts, relative to base schedule, are subject to the 50% hourly real-time LAP price. To be consistent with the approved design, PG&E recommends this sub-section be modified to apply this Tier 2 price only to the over-scheduled amount that exceeds 5% of base schedule. The amount that is under 5% should be charged the Tier 1 price.	This is a threshold for the entire amount, and not a limited tier. Consequently, the ISO proposes to clarify this language to make it clear the penalty applies to the entire amount.	Final
29.11(d)(2)(A)	Powerex	Insert “Entity” between “EIM” and “Scheduling”	The ISO agrees to make this change.	Final
29.11(d)(2)(A)	SCE	(A) Tier 1. If, during any Trading Hour, the <u>amount of</u> metered Demand within an EIM Entity Balancing Authority Area is less than the EIM Base Schedule of Supply submitted by the EIM Entity by more than 5% but less than or equal to 10% and by at least 2 MW, the CAISO shall pay the EIM Scheduling Coordinator for the Uninstructed Imbalance Energy at the EIM Entity Load Aggregation Point a price that is 75% of the Hourly Real-Time LAP Price.	This is a threshold for the entire amount, and not a limited tier. Consequently, the ISO proposes to clarify this language to make it clear the penalty applies to the entire amount.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.11(d)(2)(B)	SCE	(B) Tier 2. If, during any Trading Hour, the <u>amount of</u> metered Demand within an EIM Entity Balancing Authority Area is less than the EIM Base Schedule of Supply submitted by the EIM Entity by more than 10% and by at least 2 MW, the CAISO shall pay the EIM Entity Scheduling Coordinator the Uninstructed Imbalance Energy at the EIM Entity Load Aggregation Point a price that is 50% of the Hourly Real-Time LAP Price.	This is a threshold for the entire amount, and not a limited tier. Consequently, the ISO proposes to clarify this language to make it clear the penalty applies to the entire amount.	Final
29.11(d)(3)	SCE	Distribution of Revenues. The CAISO will calculate the total daily excess revenues received from under-scheduling charges and over-scheduling charges under Section 29.11(d)(1) and (2) and allocate them to Load in the <u>EIM-RTM Area</u> that was not subject to <u>did not pay</u> under-scheduling or over-scheduling charges according to metered Demand. This makes it clear that the CAISO loads are eligible to receive penalty revenues	Regarding the first change, see the discussion of the proposed change from EIM Area to RTM Area set forth for other tariff sections. Regarding the second change, the ISO believes “subject to” is more appropriate. Both are invoiced at the same time. [Also see the ISO’s proposed revisions to this language, shown below as an ISO comment on this section.]	Final
29.11(d)(3)	ISO	(3) Distribution of Revenues. The CAISO will calculate the total daily excess revenues received from under-scheduling charges and over-scheduling charges under Section 29.11(d)(1) and (2) and allocate them to <u>EIM Entity Scheduling Coordinators Load</u> in the EIM <u>Entity Balancing Authority Areas</u> that were <u>are</u> not subject to under-scheduling or over-scheduling charges according to metered Demand.	ISO proposed clarification. The ISO proposes these revisions in response to comments by PacifiCorp and SCE and to clarify the intent of this section.	Final
29.11(e)(2)	PacifiCorp	It is unclear to PacifiCorp what the “sharing” of EIM Internal Interties means in cross-referenced Section 11.5.4.1.1(a)(1)(ii) (also being revised as part of the Second Draft Tariff). PacifiCorp queries whether this means that the congestion costs related to dynamic transfers between two EIM BAAs will be shared by the two EIM BAAs and in what manner. PacifiCorp requests that the CAISO provide additional information on this issue prior to the release of the BPM for the EIM.	The ISO business practice manual release and update process will include an opportunity for stakeholder input on the proposed procedures. The ISO proposes that PacifiCorp rely upon this stakeholder process to identify any issues associated with the implementation of this provision.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.11(e)(4)	SCE	(4) EIM Area Neutrality Allocation. The CAISO will allocate EIM Entity Scheduling Coordinators residual neutrality amounts pursuant to Section 11.5.4.1(d). Not needed.	The ISO proposes to delete this section as part of a proposed revision to sections 29.11(e)(4) and (5), shown below as an ISO comment on these sections.	Final
29.11(e)(4)	ISO	(4) — EIM Area Neutrality Allocation. The CAISO will allocate EIM Entity Scheduling Coordinators residual neutrality amounts pursuant to Section 11.5.4.1(d). (54) Neutrality Adjustments. The CAISO will <u>levy additional charges on or make additional payments to adjust neutrality for EIM Market Participants as special adjustments</u> in accordance with Section 11.14.	ISO proposed clarification. The ISO proposes these revisions to clarify the provisions of what was section 29.11(e)(5) and to delete what was section 29.11(e)(4) as covered by section 29.11(e)(3).	Final
29.11(e)(5)	Six Cities	This Section provides that the CAISO will adjust neutrality for EIM Market Participants in accordance with Section 11.14, but the current terms of Section 11.14 would not apply to EIM Market Participants given the definition of “Measured Demand”. The definition of “Measured Demand,” as the ISO proposes to revise it, appears to apply only to Demand within the CAISO Balancing Authority Area, and Section 11.14 bases allocation of Neutrality Adjustments on Measured Demand. Section 29.11(e)(5) and Section 11.14 should be revised to include references to EIM Demand for allocation purposes.	In response to this comment, the ISO proposes to revise section 11.14 of the tariff to include, in addition to “Measured Demand”, the proposed new defined term “EIM Area-Measured Demand.” The ISO has shown this proposed revision above as an ISO comment on section 11.14.	Final
29.11(f)	PacifiCorp	Section 29.11(f)(2) suggests that EIM Participating Resources will not be eligible for recovery of Start-up and Minimum Load Costs in the Real-Time Bid Cost Recovery mechanism. PacifiCorp requests that the CAISO clarify whether this is correct or whether this is language based on previous market design proposals excluding the EIM from unit commitment.	They are eligible for real-time start up and minimum load costs.	Final
29.11(f)(2)	PG&E	This section states that a non-zero EIM Base Schedule will make a participating resource ineligible for the recovery of start-up and min-load costs. However, it does not tie this ineligibility to any commitment period. PG&E recommends changing the language in this section for clarity regarding the	The ISO proposes to implement a clarification similar to that proposed by PG&E. The real-time bid cost recovery rules should be equivalent.	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p>recovery of eligible costs in relation to self-commitment periods. Specifically, PG&E recommends modifying this section as follows: <i>The CAISO will calculate Real-Time Bid Cost Recovery in accordance with Section 11.8.4, except that the CAISO will treat a non-zero EIM Base Schedule of an EIM Participating Resource as a Self-Schedule and the EIM Participating Resource will not be eligible for recovery of Start-Up Costs and Minimum Load Costs <u>per the treatment of costs during self-commitment intervals in accordance with section 11.8.4.1.2.</u></i></p>		
29.11(f)(3)	ISO	<p>(3) Allocation of EIM Entity RTM Bid Cost Uplift. (A) Calculation of Charge. The Net RTM Bid Cost Uplift will be determined in accordance with 11.8.6.3 for each EIM Entity Balancing Authority Area <u>in accordance with the methodology set forth in Section 11.8.6., except that it will be determined on a 5-minute basis.</u> (B) Allocation. The Net RTM Bid Cost Uplift will be allocated in accordance with Section 11.8.6.6, except that it will be allocated on a 5-minute basis. (B) Settlement. The CAISO will assess charge the allocated Net RTM Bid Cost Uplift <u>calculated for each EIM Balancing Authority Area to the applicable amounts to the EIM Entity Scheduling Coordinator for the EIM Entity Balancing Authority Area it represents.</u></p>	ISO proposed clarification. The ISO proposes these revisions in response to the comments of Six Cities and to clarify the manner in which this allocation is made.	Final
29.11(f)(3)	Six Cities	Change the second “(B)” sub-heading to “(C)”.	The ISO proposes to make other revisions to this section that would address this change, as shown above as an ISO comment on this section.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.11(f)(3)(A)	Six Cities	In the third line, insert “Section” before “11.8.6.3”.	The ISO proposes to make other revisions to this section that would address this change, as shown above as an ISO comment on this section.	Final
29.11(f)(3)(B)	Six Cities	This Section provides that the Net RTM Bid Cost Uplift will be allocated in accordance with Section 11.8.6.6, but Section 11.8.6.6 provides for allocation based on Measured Demand. As noted in the comment on Section 29.11(e)(5) above, the definition of “Measured Demand,” as the ISO proposes to revise it, appears to apply only to Demand within the CAISO Balancing Authority Area. Section 29.11(f)(3)(B) and Section 11.8.6.6 should be revised to include references to EIM Demand for allocation purposes.	In response to this comment, the ISO proposes to revise section 11.8.6.6 and related provisions of the tariff to clarify the apportionment and allocation of RUC and bid costs. The ISO has shown its proposed revisions as ISO comments on section 11.8.6.6 and related provisions above.	Final
29.11(i)	PacifiCorp Supplemental	<i>29.11(i) (EIM Administrative Charge):</i> Sections 29.11(i)(2)(i) and (3)(i) both include a reference to “RTD Imbalance Energy”. PacifiCorp requests that the CAISO clarify whether the use of this phrase was intentional or whether the CAISO should have added the word “Uninstructed” or “Instructed” before the word “Imbalance” in the phrase.	This is intentional. RTD Imbalance Energy includes both RTD IIE and RTD UIE. The ISO will address these matters in association with Order 764 market changes.	Final
29.11(i)	SCE	The per documentation of the \$0.19/MWh was calculated based upon a forecast of the total energy requirements in the EIM area, not just based upon a subset of load from EIM participants. The calculation in Section 29.11 (i) (2) uses a calculation based upon only EIM market participants. The calculation of the fee and the application of the fee must be based upon the same definition of MWh otherwise the revenue collection will result in an over or under collection of cost.	The amounts received from the EIM administrative charge are used to reduce the grid management charge under subsection (i)(4) and will thus not cause any over-collection.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.11(i)(1)	WPTF	We didn't understand that this would be the fee for all EIM entities going forward, but rather that this was the fee the ISO determined it would need to charge to PAC for its EIM implementation and operation. Has there been a good business case presented that this is the right fee for all future EIMs?	This will be the administrative fee until it is further considered in the ISO's 2015-2017 GMC proceeding currently underway.	Final
29.11(i)(2)	PG&E	This section specifies the method that will be used to calculate the MWh for an EIM Entity that will be subject to the EIM Administrative Charge. As part of this calculation, the tariff proposes to "sum of the gross FMM Instructed Imbalance Energy, gross RTD Imbalance Energy, and gross Uninstructed Imbalance Energy of the EIM Market Participant's Supply." It also proposes to use "the gross Uninstructed Imbalance Energy of the EIM Market Participant's Demand." Several aspects of this calculation are unclear: <ul style="list-style-type: none"> Does CAISO propose to sum over all Market Participants in the EIM Entity the above imbalances that are calculated for each EIM Market Participant in the EIM Entity? 	No. There are separate calculations for the EIM Entities and the EIM Participating Resources.	Final
29.11(i)(2)	PG&E	<ul style="list-style-type: none"> Does CAISO propose to consider imbalances for non-participating resources in the EIM Entity when calculating the MWh subject to the Administrative Charge since such imbalances are also cleared through the EIM Real-Time Market process? If not, why is the EIM Entity allowed to use the EIM to treat such imbalances arising from non-participating resources without paying the EIM Administrative Charge for the energy bought or sold? 	Yes. That will be included in the EIM Entity's gross uninstructed imbalance energy.	Final
29.11(i)(2)	PG&E	Does CAISO propose to sum the MWh of Supply subject to the Administrative Charge and the MWh of Demand subject to the Administrative Charge to calculate the total MWh subject to the Administrative Charge?	Yes.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.11(i)(2)	PG&E	If a supply resource decreases its output as compared to its base schedule, will the MWh that the resource sells into the EIM be subject to the Administrative Charge? It would seem to be a matter of equity for it to be subject to the Administrative Charge. If that is the case, specifying that the MWh subject to the Administrative Charge is based on the absolute value of the corresponding imbalance would clarify the intent.	The ISO believes that this is inherent in the use of gross rather than net. The ISO will consider including the term “absolute” to be consistent with the reference in the GMC.	Final
29.11(i)(2)	PG&E	Furthermore, as written, this section states that the minimum MWh each EIM Entity is subject to the Administrative Charge is based on gross supply and gross demand from only EIM participants. PG&E recommends changing this so the calculation of gross supply and gross demand would include non-participants. This recommendation is consistent with the derivation of the \$0.19/MWh administrative charge rate, which is calculated based on the projected volume of gross supply and gross demand in an EIM Entity that included all participants within that BAA. It is important for the CAISO to keep the method used in calculating the MWh volume consistent with the approach it used to come up with the corresponding \$/MWh rate. Specifically, PG&E recommends modifying this section as follows: <i>EIM Entity Calculation. The CAISO will calculate MWh subject to the EIM Administrative Charge rate for each EIM Entity as <u>the sum of</u> —</i> <i>(i) the greater of the (a) <u>the total of (i) the sum over all EIM Market Participants in the EIM Entity of the sum of the gross absolute value of FMM Instructed Imbalance Energy for each Resource in the EIM Market Participant’s Supply, gross the absolute value of RTD Imbalance Energy for each Resource in the EIM Market Participant’s Supply, and gross the absolute value of Uninstructed Imbalance Energy for each Resource in the EIM Market Participant’s</u> of the EIM Market Participant’s Supply, and (ii) the sum over all non-participating supply</i>	The EIM Entity is an EIM Market Participant, and the supply and demand of non-participants are attributed to it. The ISO does not believe the additional language is necessary.	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p><u>resources in the EIM Entity of the absolute value of Uninstructed Imbalance Energy for each non-participating resource</u> or (b) five percent of the total gross Supply of all EIM Market Participants <u>and of non-participating supply resources in the EIM Entity</u>; plus</p> <p>(ii) <u>the greater of (a) the total of (i) the sum over all EIM Market Participants in the EIM Entity of the gross absolute value of the Uninstructed Imbalance Energy of the EIM Market Participant's Demand and (ii) the sum over all non-participating demands of the absolute value of the Uninstructed Imbalance Energy of the non-participating demand</u>, or (b) five percent of the total gross Demand of all EIM Market Participants <u>and of non-participating loads in the EIM Entity</u>.</p>		
29.11(i)(2)-(3)	Six Cities	<p>The process for calculating and applying the EIM Administrative Charge is unclear. The lead-in sentence for sub-section (2) refers to calculation of the MWh subject to the charge for the EIM Entity, but subsequent sub-sections refer to calculation and application of the charge at the EIM Market Participant level. The Six Cities request that the ISO clarify these sub-sections.</p>	<p>In response to this comment, the ISO proposes to revise the lead in sentence to refer to each EIM Market Participant.</p>	
29.11(i)(3)	PG&E	<p>The CAISO will collect Administrative Fees based on the MWh calculated in Section 29.11(2) and the EIM Administrative Charge rate. The method specified in this section is unclear regarding the inputs to this calculation and the parties that will be charged. Assuming that the MWh subject to the charge will be defined similar to our recommendation to Section 29.11(i)(2) above, PG&E would recommend clarifications as given below.</p> <p>(3) Allocation. <i>The CAISO will calculate the total of the amount of the EIM Administrative Charge for each EIM Market ParticipantEntity by multiplying the rate specified in Section 29.11(i)(1) by the MWh calculated pursuant to Section</i></p>	<p>See above.</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p>29.11(i)(2). and will allocate <u>The CAISO will first allocate a share of that charge to each EIM Market Participant Scheduling Coordinator representing a Market Participant in the EIM Entity.</u> —</p> <p>(i) <u>A Market Participant Scheduling Coordinator for a Market Participant will be allocated a charge equal to the EIM Administrative Charge rate times the total of (i) the sum of the gross absolute value of FMM Instructed Imbalance Energy for each Resource in the EIM Market Participant's Supply, gross the absolute value of RTD Imbalance Energy for each Resource in the EIM Market Participant's Supply, and gross the absolute value of Uninstructed Imbalance Energy for each Resource in the EIM Market Participant's Supply, and (ii) the absolute value of the Uninstructed Imbalance Energy of the EIM Market Participant's Demand. the sum of (a) the total gross FMM Instructed Imbalance Energy, gross RTD Imbalance Energy, and gross Uninstructed Imbalance Energy of the EIM Market Participant's Supply, and (b) the gross Uninstructed Imbalance Energy of the EIM Market Participant's Demand, and</u></p> <p>(ii) <u>to the extent not all EIM Administrative Charges are allocated pursuant to Section 29.11(i)(3)(i), the remaining amounts will be charged to the EIM Entity Scheduling Coordinator.</u></p>		
29.11(i)(3)(ii)	WPTF	It seems that by definition they would all be allocated. Under what conditions would they not all be allocated?	This is to ensure neutrality.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.11(l)	Six Cities	In the second line, change “Section” to “Sections”.	The ISO agrees to make this change.	Final
29.17 & 29.20	Powerex	CAISO has included text indicating that the provisions of Section 20 of its Tariff apply to participation of EIM Market Participants in the Real-time market. Section 20 generally imposes an obligation on CAISO not to release market participant information but instead to maintain its confidentiality vis-à-vis third parties. Section 20, is a provision of the CAISO tariff that was developed to be applied to the CAISO markets, and did not contemplate application to market participants that are EIM participants but not CAISO market participants. As such, it is troublesome to limit the protections in Section 29 to those set forth in Section 20.	The EIM is an extension of the current RTM and should be subject to the same confidentiality provisions and other requirements generally applicable in the RTM. There is no reason for specific confidentiality provisions or agreements to be required for the EIM. The ISO presently receives all such information from its own participants and will need equivalent information to operate the EIM.	Final
29.17 & 29.20	Powerex	It is important to recognize that CAISO staff will have obligations relating both to administering CAISO’s markets and to administering the EIM. These interests could from time to time be in conflict with each other. In the context of the EIM, much of the information at CAISO’s disposal will have to do with external transactions outside of the CAISO markets and is considered sensitive and confidential by its owners.	See above.	Final
29.17 & 29.20	Powerex	Safeguards should be in place to ensure that CAISO staff is unable to utilize this information for any purpose OTHER than the EIM as such usage may result in harmful impacts to external entities. Information that is shared for reliability purposes and/or EIM purposes is provided to CAISO staff only for that limited purpose and restrictions that preclude that information from being used to meet other objectives of the CAISO in a unilateral manner are appropriate. Independence is a hallmark of FERC’s jurisprudence regarding ISOs, and safeguards must be put in place to ensure that the EIM is not a real or perceived vehicle for inappropriate information to be	See above.	Final

Section	Party	Comment	ISO Response	Round of Comments
		expropriated for CAISO's use in other, California-centric, initiatives.		
29.17 & 29.20	Powerex	If information shared by EIM Entities is to be utilized by CAISO for non-EIM purposes, it should seek the agreement of external Transmission Providers and Balancing Authority Areas to do so. Such entities, prior to granting permission, must determine if such information sharing is consistent with confidentiality restrictions in place with their customers, and obtain such customers' consent as required, before granting CAISO this permission. In addition, any agreement relating to such information sharing should be filed with the Federal Energy Regulatory Commission.	See above.	Final
29.17(b)	SCE	(b) Effectiveness. The information provided in the EIM Transmission Service Registry shall only be used <u>by the market operator in the Real-Time Market</u> in accordance with the procedures set forth in the Business Practice Manual for the Energy Imbalance Market. Isn't some of this information going to be used in the Day-Ahead Market run?	In response to this comment, the ISO proposes to clarify that the information will be used "for" the Real-Time Market, which in the context of EIM includes optimization of the base schedules in the day-ahead timeframe.	Final
29.17(b)	WPTF	This seems like a sort of a strange subheading for this item. Consider "Applicability"?	The ISO does not consider a change to the heading to be necessary.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.22	Powerex	In order to ensure mutuality, CAISO assumed responsibility to become the centralized counterparty taking title to energy sold in CAISO's markets. By now indicating that CAISO is not a purchasing entity in this provision of the tariff, CAISO is raising a conflict: CAISO either takes title to the energy or it does not take title to the energy. It is unlikely upon judicial review that a reviewing court will permit CAISO to have it both ways. Powerex urges the CAISO to reconsider this provision in light of the commitment it made to serve as the centralized counterparty for transactions, and, as such, take title to energy and to consider the potential legal implications of this conflict.	The comment indicates an inaccurate understanding of the ISO's role in implementing the EIM. The provisions proposed are intended to mirror those applied by the ISO with respect to its balancing authority area and controlled grid.	Final
29.22(b)	Powerex	In line 2, insert "of" between "purposes" and "E-Tagging"	The ISO agrees to make this change.	Final
29.22(b)	SCE	(b) Purchasing Selling Agent. Neither the CAISO nor the EIM Entity is a "Purchasing Selling Entity" for purposes of E-Tagging or EIM Transfers, nor shall either be listed as a "Purchasing Selling Entity" for purposes of E-Tagging or EIM Transfers.	The ISO agrees to make this change.	Final
29.22(b)	Six Cities	In the second line, insert "of" after "purposes".	The ISO agrees to make this change.	Final
29.22(c)	Powerex	In subsection header, replace "for" with "to"	The ISO agrees to make this change.	Final
29.22(c)	Six Cities	In the caption, change "for" to "to".	The ISO agrees to make this change.	Final
29.26	SCE	The current practice of transmission rates for EIM in the adopted proposal was intended to be temporary. The tariff should reflect that the practice will terminate within one year and be replaced with a new provision. (c) <u>These provisions apply for the first year of EIM</u>	There should not be a sunset of the current transmission service rate proposal in order to ensure there remains something in place until an alternative is approved, if that is the outcome. The ISO has made clear that no transmission service charge may be an acceptable outcome of that	Final

Section	Party	Comment	ISO Response	Round of Comments
		operations until new provisions regarding transmission charges are implemented.	process.	
29.26(b)	Powerex	This provision should be stricken. The CAISO Tariff is not the place to direct the charges that Transmission Providers outside the CAISO footprint will assess. Each Commission-jurisdictional Transmission Provider maintains its own Open Access Transmission Tariff and retains Federal Power Act jurisdiction to propose its own rates, terms and conditions of service. Just as other Transmission Providers cannot in their tariffs dictate charges to be imposed (or not to be imposed) by CAISO, CAISO cannot dictate the charges to be imposed by others. Moreover, each Transmission Provider has its own rate-making processes and requirements that must be met with regard to determining rates that will be charged.	The ISO does not intend to dictate transmission service charges, except with respect to the restriction on incremental charges for EIM transfers as provided here. This was understood and agreed in the stakeholder process and is necessary to prevent seams issues from arising within the EIM Area. The ISO does not need to follow each EIM Entity's open access transmission tariff to ensure consistent treatment in the balancing authority area it operates. It is appropriate to include this common rule here until a replacement is established, at which time it would be reflected here as well.	Final
29.26(b)	PacifiCorp	Likewise, language in Section 29.26(b) (Non-CAISO Facilities) should remove all references to "EIM Transmission Service Provider," as the CAISO Tariff should not dictate how transmission arrangements internal to an EIM Entity are made.	See above.	Final
29.26(b)	Six Cities	The Six Cities request an explanation for the proviso added at the end of this section. It is not clear how or why EIM transfers in excess of contract rights would occur.	This was necessary to make it clear a potential charge for over-use of contractual rights would not be considered an additional charge in contradiction of this provision.	Final
29.27	PacifiCorp	Section 29.27 provides, "[t]he provisions of Section 27 that are applicable to the Real-Time Market shall apply to EIM Market Participants." Section 27.1.2.1 is applicable to the Real-Time Market but, as it concerns Ancillary Services, is therefore not applicable to the EIM. There are similar concerns with references to Sections 27.1.2.3 and 27.1.3. In addition, Section 27.2 on the CAISO creation of Load Aggregation Points does not apply to the EIM. The CAISO should consider	The ISO does not believe this is necessary. The ISO believes that PacifiCorp's approach is unwieldy and could lead to negative inferences about a section that the tariff did not identify. EIM Market Participants cannot participate in the Ancillary Services market, so any discussion of ancillary services is simply not applicable. A similar conclusion applies to the day-ahead market references.	Final

Section	Party	Comment	ISO Response	Round of Comments
		including appropriate exceptions to this section.		
29.28	WPTF	This seems like it could be problematic if an EIM SC was also an SC for a CAISO participant. Is the EIM SC role and the CAISO SC role deemed separate even if they are provided by the same organization?	Yes, they are separate roles and will be governed by separate agreements with separate identifications to represent them in the ISO's systems.	Final
29.31	SCE	<p>This section should not preclude a resource located in the EIM Entity from being represented in the Day-Ahead market by an eligible Schedule Coordinator that participates in the Day-ahead market. A provision should be added that an EIM Participating Resource represented by a Scheduling Coordinator can participate in the Day-ahead market.</p> <p>29.31 Day-Ahead. EIM Entity Scheduling Coordinators and EIM Participating Resource Scheduling Coordinators may not submit Bids in the CAISO's Day-Ahead Market on behalf of EIM Market Participants that they represent in their capacity as an EIM Entity Scheduling Coordinator or EIM Participating Resource Scheduling Coordinator. <u>This does not preclude a resource from being also represented by a Scheduling Coordinator in the Day-Ahead Market.</u></p>	The proposed language is duplicative. The ISO is concerned about creating negative implications through the use of unnecessary exceptions. The section only refers to entities in their capacity as an EIM Entity Scheduling Coordinator or EIM Participating Resource Scheduling Coordinator. Section 29.4 specifically authorizes representation of entities beyond the EIM market participants.	Final
29.32	Powerex	<p>While CAISO has removed, in this iteration of the draft Tariff, the requirement to register with the California Air Resources Board ("CARB") and the California Environmental Protection Agency's Compliance Instrument Tracking System Service ("CITSS"), CAISO has added, as Section 29.32(a)(2), text to permit an adder for CARB greenhouse gas costs to be included in a bid. Section 29.32 as a whole raises quite a number of concerns.</p> <p>In essence, under CAISO's proposal out-of-state generators and importers will be exposed to CARB regulation based on a California dispatch that is "deemed" to be an import, without regard for their intention or legal ability to participate in the Cap and Trade program. While CAISO does not require out-</p>	The ISO proposal to address greenhouse gas compliance obligations was extensively discussed in the policy and tariff processes. The current provisions support the consensus view on this matter.	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p>of-state generators to preregister under CITSS program, the legal consequences of a deemed import of a non-registrant generator or importer are not defined. The CAISO tariff simply sketches out a non-transparent and not fully-explained mechanism regarding “deemed” EIM imports, with after-the-fact notice to the generator or importer. There is no explanation provided as to how this mechanism will interact with CARB reporting requirements or Resource Shuffling regulations, or with FERC EQR reports. The CAISO must provide additional detail in the tariff as to how this “deemed” mechanism will operate, in order to provide opportunity for meaningful input and comment by affected market participants.</p> <p>The Tariff itself does not impose carbon liability on EIM market participants, although this section indicates that such costs of compliance will be assessed. The mechanism by which this will occur is not specified, however. Nor are any details present in Section 29.32(e) on how CAISO will determine the portion of energy deemed to have been imported into California.</p> <p>As an important rate, term and condition of wholesale electric service, this compliance cost assessment information should be contained in the Tariff. It is unclear if CAISO’s intent is to include a description of these charges, along with various other key provisions pertaining to EIM service, in its proposed Business Practice Manual for the Energy Imbalance Market. However, the Commission has made it clear under its “rule of reason” that practices that significantly affect jurisdictional rates or terms and conditions of service should only be included in a Commission-accepted tariff rather than in business practices or manuals. Just a few of the volumes of decisions that have enforced this holding include <i>Cal. Indep. Sys. Operator Corp.</i>, 141 FERC ¶ 61,237 at PP 35-36 (2012) (“alternative methodology for calculating greenhouse gas</p>		

Section	Party	Comment	ISO Response	Round of Comments
		<p>allowance costs must be included in the tariff rather than in the Business Practice Manual”) and <i>Cal. Indep. Sys. Operator Corp.</i>, 126 FERC ¶ 61,147 at P 58 (2009) (finding that consistent with the Commission’s policy, as implemented through the rule of reason, a provision “that significantly affects rates, terms and conditions of service ... must be filed for Commission approval and made a part of the ... tariff.”).</p>		
29.32(a)	SCE	<p>(a) EIM Bid Adders. (1) In General. EIM Participating Resources will have an opportunity to recover costs of compliance with California Air Resources Board greenhouse gas regulations, which may include the cost of allowances, uncertainty on the final resource specific emission factor, and other costs of greenhouse gas regulation compliance. Resources without a GHG compliance are eligible to use the bid adder. This language implies something different and will lead to confusion. This could cause confusion since its application does not impact pricing to EIM Entities.</p> <p>(2) Bid Submission. EIM Participating Resource Scheduling Coordinators may submit an EIM Bid Adder as a separate Bid component to recover costs of compliance with California Air Resources Board greenhouse gas regulations. (3) Cap on Bid Adder. The sum of the EIM Bid Adder and the Energy cost portion of the Bid cannot exceed \$1000/MWh. (4) Minimum Bid Adder. The EIM Bid Adder shall not be less than \$0/MWh. (5) <u>There is a limit of one Bid Adder per day.</u></p> <p>This restriction was part of the proposal adopted by the governing board. The CAISO has suggested this can be in</p>	<p>The ISO considers it appropriate to articulate in general the purpose of this bid adder. The ISO considers it appropriate to specify the purpose of the bid adder in the submission process. The ISO will consider including in the tariff the additional requirement that only one bid adder may be submitted per day.</p>	

Section	Party	Comment	ISO Response	Round of Comments
		the business practice manual. This is an important restriction that has a material impact on bids. Changing it should require FERC approval and not simply a change in the BPM.		
29.32(a)(4)	WPTF	What is the implication of removing this from the tariff language?	This was in response to stakeholder comments that requested this be removed, and is consistent with the ISO's general monitoring of all market activities, including bid adders.	Final
29.32(c)	WPTF	Please explain this change. There won't be a shadow price but the bid adder itself will simply be added to the LMP price? Our understanding was that GHG effect was marginal in nature; that the highest bid adder clearing would be added to the related LMPs. Please explain/resolve.	This is consistent with the implementation of the policy design in the ISO optimization.	Final
29.32(c)	ISO	(c) Effect on Locational Marginal Price. EIM Bid Adders shall be included as a component in the Locational Marginal Prices for EIM Entity Balancing Authority Areas in addition to those specified in Appendix C <u>and Section 27</u> .	ISO proposed clarification. The ISO proposes this clarification to ensure that the section isn't read to exclude any LMP components.	Final
29.32(c)	SCE	(c) Effect on Locational Marginal Price. EIM Bid Adders shall be included as a component in the Locational Marginal Prices for <u>power deemed to flow into the CAISO Balancing Authority from the</u> EIM Entity Balancing Authority Areas in addition to those specified in Appendix C.	The ISO considers this provision to be clear as drafted but understands the proposed clarification and will consider whether it is warranted.	
29.32(d)-(e)	WPTF	Is the quantity notification done not in the Dispatch Instruction? Why not just indicate in (d) that the notification will include the energy deemed to have been imported?	This is consistent with the implementation of the policy design in the ISO optimization.	Final
29.34(a)	SCE	(a) In General. <u>Except as provided in Section 29.34,</u>	The ISO believes this provision to be clear given the scope of	

Section	Party	Comment	ISO Response	Round of Comments
		<p>Section 34 will govern the operation of the Real-Time Market within the <u>EIM-RTM Area</u>, <u>except for provisions in Section 29.34 that apply to EIM Entities and EIM Participating Resources, and their respective Scheduling Coordinators.</u></p> <p>Section 34 should be the primary section that covers the RTM, expect for specific provisions associated with EIM Entities, etc.</p>	Section 29.34 but will consider whether the additional exclusion is warranted.	
29.34(c)	WPTF	Is it true that the ISO will de facto assume no flows rather than assuming its own flows? If the ISO assumes some flows then perhaps this should read: "...or use it in the Real-Time Market settlement."	Base schedules will not be used for settlement. The state estimator does inform RTD dispatch.	Final
29.34(d)(4)(A)	ISO	<p>(4) EIM Entity Scheduling Coordinator Demand Forecast.</p> <p>(A) In General. An EIM Entity Scheduling Coordinator may opt to provide a non-binding <u>EIM Entity</u> Demand Forecast, net of behind-the-meter Generation that is not registered as an EIM Resource, as part of the hourly EIM Base Schedules.</p>	ISO proposed clarification. The ISO proposes this change to clarify the scope of this provision.	Final
29.34(d)(4)(A)-(B)	WPTF	These seem a little contradictory. (A) says they "may opt to". (B) says they "must provide...by". Would (B) be better said as: "Any such Demand Forecast must be provided by 10 am ...in order to be considered by the CAISO" or something similar?	The ISO believes the use of the term "any such" is sufficiently clear." The use of the active voice specifies the responsible party.	Final
29.34(e)(3)(A)	WPTF	This seems like it would apply to the EIM Entity Resource Plans but not the Participating Resource Resource Plans, yet the way it's written would have it apply to all Resource Plans, yes?	There is no EIM Participating Resource Resource Plan. There is one EIM Resource Plan for the balancing authority area of the EIM Entity.	Final
29.34(e)(3)(A)	SCE	(3) Balance.	The intent of this provision is to refer to the EIM Base	

Section	Party	Comment	ISO Response	Round of Comments
		(A) Requirement. The EIM Base-S Schedules included in the EIM Resource Plan must balance the Demand Forecast for each EIM Entity Balancing Authority Area. This is non-financial binding and is advisory, so should it be lower case?	Schedules as that term is defined.	
29.34(e)(3)(B)-(C)	WPTF	Or maybe it's a matter of timing. If the Participating Resources submit their plans at the same time the EIM Entity is to submit its plan, how does the EIM Entity assure that the plan is balanced?	See above.	Final
29.34(e)(4)	Six Cities	In the first line of each of these sub-sections, delete either "providing" or (C) and (D) "meeting".	In response to this comment, the ISO proposes to delete the phrase "of providing" from each of sections 29.34(e)(4)(C) and (D).	Final
29.34(e)(4)	WPTF	Again, this is confusing because it seems to mostly refer to the EIM Entity plan but seems by drafting to apply to the EIM Participating Resource Plans too. Might you consider breaking out the EIM Participating Resource Plans from the EIM Entity Plans in this tariff section?	See above.	Final
29.34(e)(4)(A)	SCE	(A) EIM Base-S Schedules;	The ISO considers the reference to the defined term "EIM Base Schedules" to be appropriate for the contents of an EIM Entity's resource plan, as the ISO considers these an important part of the resource plan.	Final
29.34(e)(4)(C)	WPTF	EIM Participating Resources? Non Participating Resources? Or both?	All resources.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.34(e)(4)(C)-(D)	PacifiCorp Supplemental	PacifiCorp requests that the CAISO modify language used in Section 29.34(e)(4)(C) and (D) because the language currently used is confusing and appears to have a superfluous word.	In response to this comment, the ISO proposes to delete the phrase “of providing” from each of sections 29.34(e)(4)(C) and (D).	Final
29.34(e)(4)(C)-(D)	Powerex	These sections both contain an error and must be reworded. For example, instead of “Reserves capacity of providing meeting the WECC requirements for regulating reserves, in MW up (applicable to resources only)”, which is non-sensical, the text may be altered to state “Reserve capacity meeting the WECC requirements for regulating reserves, in incremental MW (applicable to resources only).” A similar change is required for (D) to make sense.	The ISO agrees to make the proposed revisions to each of sections 29.34(e)(4)(C) and (D).	Final
29.34(e)(5)	WPTF	Can Participating Resource SCs do the same? If not, why not?	EIM Participating Resources do not have an EIM Resource Plan.	Final
29.34(e)-(f)	PacifiCorp	With regard to Section 29.34(e), governing responsibility for submission of EIM Resource Plans, and Section 29.34, governing EIM Base Schedules, PacifiCorp’s understanding of EIM implementation is the EIM Entity Scheduling Coordinator is responsible for submitting the EIM Resource Plan for the entirety of PacifiCorp’s BAAs, including EIM Participating Resources, non-participating resources, and loads. The EIM Resource Plan is the combination of the EIM Base Schedules for Demand, Generation, and Interchange and the submission of these components to the Market Operator is facilitated by an interface hosted by the CAISO (EIM SIBR). The referenced sections make several statements indicating that EIM Participating Resource Scheduling Coordinators are responsible for separately and directly submitting their EIM Resource Plans to the Market Operator, which is in conflict with PacifiCorp’s understanding. PacifiCorp understands that	The EIM Resource Plan is the combination of all of the components in subsection (e)(4). Some of those components are submitted by the EIM Participating Resource scheduling coordinator and some by the EIM Entity scheduling coordinator. For this reason, subsection (e)(1) requires the market participants to submit the “applicable” components. The only component applicable to an EIM Participating Resource scheduling coordinator is the Energy Bid.	Final

Section	Party	Comment	ISO Response	Round of Comments
		EIM Participating Resource Scheduling Coordinators are responsible for submitting only the bid portion of the Resource Plan separately and directly to the CAISO. PacifiCorp requests that the CAISO revise Sections 29.34(e) and (f) accordingly.		
29.34(f)(1)	PacifiCorp	The reference in Section 29.34(f)(1) to non-participating resources having a requirement to submit real-time hourly EIM Base Schedules to the CAISO should be revised to reflect that such non-participating resources may have an obligation to provide EIM Base Schedules to the EIM Entity consistent with an EIM Entity's OATT. The language as currently drafted suggests that the CAISO may have a direct relationship with non-participating resources.	In response to this comment, the ISO proposes to clarify this section to provide that this applies only in the circumstances described in subsection (f)(4).	Final
29.34(f)(1)	SCE	<p>Section 29.34 (f) (1) allows non EIM participants to submit schedules directly to the CAISO. As non-participants have no formal relationship with the CAISO, their base schedules should be submitted through the EIM Entity Schedule Coordinator. This provision should be removed, including 29.34 (f) (4) which would allow non-participants to directly submit base schedules. If the CAISO wants to create a tool to assist the EIM Entity and their non-participants in submitting and aggregating the base schedules, then it should be included in the business practice manual and not part of the tariff.</p> <p>(A) Initial Submission. EIM Entity Scheduling Coordinators, EIM Participating Resource Scheduling Coordinators, and non-participating resources in the EIM Entity Balancing Authority Area that wish to submit real-time hourly EIM Base Schedules must submit <u>balanced such Base Schedules</u> consistent with the requirements of the Business Practice Manual for the Energy Imbalance Market and at least 75 minutes before the start of the Operating Hour.</p> <p>(B) Revisions. EIM Entity Scheduling Coordinators, EIM</p>	See above. The ISO believes that this procedure belongs in the tariff.	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p>Participating Resource Scheduling Coordinators, and non-participating resources in the EIM Entity Balancing Authority Area may revise Real-Time hourly EIM Base Schedules meeting the requirements of the Business Practice Manual for the Energy Imbalance Market at or before 55 minutes before the start of the Operating Hour and EIM Entity Scheduling Coordinators may do so again at or before 40 minutes before the start of the Operating Hour.</p> <p>Non participants cannot submit schedules directly to the CAISO. It will be EIM Entity SC responsibility to submit a schedule with includes non-participants. The base schedules must be balanced. Correct?</p>		
29.34(f)(1)(A)-(B)	PacifiCorp Supplemental	<p>With regard to Section 29.34(f)(1)(A) and (B), PacifiCorp requests that the CAISO further modify the provisions because, as drafted, they impose a requirement on non-participating resources to comply with the Business Practice Manual, which is not permissible or appropriate. CAISO can only require the EIM Entity Scheduling Coordinator to ensure, through its tariff or business practices, that non-participating resources fulfill necessary requirements. To the extent there are any other provisions in the Second Draft Tariff which similarly impose requirements directly on non-participating resources or loads by CAISO, PacifiCorp requests that the CAISO modify any such provisions consistent with the comment made here.</p>	<p>In response to this comment, the ISO proposes to clarify these sections to provide that this applies only in the circumstances described in subsection (f)(4).</p>	Final
29.34(f)(1)(B)	WPTF	<p>This is unclear. Why the 55 minute requirement if there's also a 40 minute option?</p>	<p>Only the EIM Entity scheduling coordinator may adjust the base schedule past 55 minutes prior to the operating hour. For the EIM Entity scheduling coordinator, this is an iterative process.</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
29.34(f)(2)	WPTF	Should this be “must be at or within the...” For example, it seems like for a bid of 100MW to 500MW, the base schedule could reasonably be 100MW. Would that be considered “within”?	The ISO believes “within the Economic Bid range” is clear. 100 MW is within the bid range of 100-500 MW.	Final
29.34(f)(4)	PacifiCorp Supplemental	In general, and consistent with PacifiCorp’s previously submitted comments, the Second Draft Tariff does not make sufficiently clear that the submission of forecast data, including EIM Resource Plans and EIM Base Schedules for all resources, including EIM Participating Resources, will be submitted to the MO through the EIM Entity, using the interface system mentioned in Section 29.34(f)(4). This clarification is necessary to make clear that it is the EIM Entity that is responsible for ensuring that each BAA is balanced coming into the EIM. The Second Draft Tariff could be improved in this regard. PacifiCorp suggests utilization of language similar to what is utilized in Section 29.34(f)(4) throughout Section 34 wherever there is a reference to the submission of forecast data which will involve the interface.	The ISO does not believe it necessary to include the language of (f)(4) throughout, but the ISO proposes to include references to this subsection in subsections (f)(1)(A) and (B) in response to PacifiCorp’s comments on those sections. In addition, the ISO will review all of section 29.34 to make sure it is clear that the EIM Entity is responsible for ensuring the balance of its balancing authority area.	Final
29.34(f)(4)	PacifiCorp Supplemental	PacifiCorp requests that the CAISO review and modify Section 29.34(f)(4) (EIM Base Schedule Disaggregation) so that it is consistent with PacifiCorp’s understanding of EIM design, which does not require disaggregation of schedules in the manner required in this provision.	This section provides for the opportunity for an EIM Entity to utilize the base schedule aggregation functionality described in the Draft Final Proposal.	Final
29.34(f)(4)	SCE	(4) EIM Base Schedule Aggregation. An EIM Entity Scheduling Coordinator may allow non-participating resources, Loads, and other customers to submit EIM Base Schedule information through an interface hosted by the CAISO. Non-participants have no formal relationship to the CAISO so this should not be in the tariff. The change in the schedule	See above.	Final

Section	Party	Comment	ISO Response	Round of Comments
		from a non-participant must come through the EIM Entity SC or there is a risk of schedules being out of sync. If the CAISO wants to have a tool available for the EIM SC that non-participants can use. This can be in the BPM.		
29.34(i)	PacifiCorp Supplemental	Section 29.34(i) (Interchange Schedules With Other Balancing Authorities) uses the phrase “EIM Entity Interchange Schedules,” which PacifiCorp does not believe is a defined term in the CAISO tariff.	In response to this comment, the ISO will revise this section to refer only to “Interchange Schedules.”	Final
29.34(i)(2)	WPTF	Can we reference the timing and bidding requirements to other sections of this and/or the FMM tariff?	Some deadlines differ or are not applicable, and the ISO prefers that the EIM Market Participants be able to see the entire schedule in section 29.	Final
29.34(k)	PacifiCorp	PacifiCorp requests that the CAISO add language to Section 29.34(k) (Supply Insufficiency) clarifying that the sufficiency analysis will occur at T-40.	The ISO will consider this clarification consistent with the sufficiency determination process.	Final
29.34(l)	SCE	Transmission Constraint Relaxation. If an EIM Entity Scheduling Coordinator’s approved EIM Resource Plan does not have sufficient Bids to resolve Congestion, the CAISO will relax the relevant Transmission Constraints in the Market Clearing and the EIM Entity will become responsible for managing its congested Transmission Constraints through other means, and the CAISO will determine prices for Congestion consistent with Transmission Constraint relaxation parameters established in the Business Practice Manual for the Energy Imbalance Market until the Transmission Constraint is no longer binding in the Real-Time Market. Same rules for everyone, and these relation parameters are already specific in the Tariff. Consider referencing appropriate tariff section.	The ISO considers the business practice manual process an appropriate venue to consider whether any modifications to the Transmission Constraint relaxation parameters associated with the EIM Entity balancing authority area are necessary to implement the EIM.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.34(m)	SCE	<p>Language needs to be added to be clear on how cost allocation is performed for any cost associated with acquiring flexible resources to resolve the constraint. Specifically, the allocation of cost should be based upon each Balancing Authority Area's flexibility requirement prior to any adjustment for EIM Internal Intertie import capability.</p> <p>(m) Flexible Ramping Constraint Requirement.</p> <p>(1) Responsibility. Each EIM Entity Balancing Authority Area and the CAISO Balancing Authority Area will be responsible for meeting its own portion of the combined Flexible Ramping Constraint capacity requirements for the next hour as determined by Section 29.34(m).</p> <p>(2) Nature. The Flexible Ramping Constraint capacity requirement is a minimum requirement for each Balancing Authority Area in the EIM-RTM Area and each combination thereof based upon the EIM Transfer limit between Balancing Authority Areas.</p> <p>(3) Determination. Under the provisions of Section 29.34(m) and the procedures set forth in the Business Practice Manual for the Energy Imbalance Market, the CAISO will determine the Flexible Ramping Constraint capacity requirement using the CAISO Demand Forecast and CAISO Variable Energy Resource forecast for each Balancing Authority Area in the EIM-RTM Area and each combination thereof.</p> <p>[VER resources will be given a credit if they use their own forecast based upon the avoided cost. This implies there will be no avoided cost as they will be using the CAISO VER forecast. This appears inconsistent.]</p> <p>(4) Sufficiency Determination.</p> <p>(A) Review. The CAISO will review the EIM Resource Plan</p>	<p>Regarding the comment on flexible ramping cost allocation, this matter is addressed in the ISO's proposed revisions to section 11.5.4.1.1 as shown above as an ISO comment on that section.</p> <p>Regarding the various proposed changes to "EIM Area" to "RTM Area," see the discussion of this proposed change with regard to other tariff sections.</p> <p>Regarding the comment relating to variable energy resources, the ISO will accept as its forecast the forecast received from an independent third party forecaster.</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p>pursuant to the process set forth in the Business Practice Manual for the Energy Imbalance Market and verify that it has sufficient Bids for Ramping capability to meet the EIM Entity Balancing Authority Area Flexible Ramping Constraint capacity requirement, as adjusted by (B) and (C).</p> <p>(B) Pro Rata Reduction and Diversity Limit. Each EIM Entity Balancing Authority Area Flexible Ramping Constraint capacity requirement shall be reduced by its pro rata share of the diversity benefit in the EIMRTM Area as may be limited by the available net import EIM Transfer capability into that EIM Entity Balancing Authority Area.</p> <p>(C) Sufficiency of an EIM Entity Balancing Authority Area with a Net Outgoing EIM Transfer. If an EIM Entity Balancing Authority Area has a net outgoing EIM Transfer (net export with reference to the EIM Base Schedule) before the Operating Hour, then it will have partially fulfilled its Flexible Ramping Constraint capacity requirement for that hour because it can retract that EIM Transfer during the hour as needed and the CAISO will apply a Flexible Ramping Constraint capacity requirement credit in determining the sufficiency of the Flexible Ramping Constraint capacity for that EIM Entity Balancing Authority Area equal to the net outgoing EIM Transfer before the Operating Hour.</p> <p>(C) Sufficiency of an EIM Entity Balancing Authority Area with a Net Ingoing EIM Transfer. If an EIM Entity Balancing Authority Area has a net incoming EIM Transfer (net import with reference to the EIM Base Schedule) before the Operating Hour; then the Flexible Ramping Constraint capacity for that EIM Entity Balancing Authority Area will be considered sufficient if it meets its own Flexible Ramping Constraint capacity requirement, irrespective of the incoming EIM Transfer that results from RTD Dispatch in the EIM-RTM Area.</p> <p>(5) Effect of Insufficiency. If the CAISO determines that an EIM Entity Balancing Authority Area has insufficient</p>		

Section	Party	Comment	ISO Response	Round of Comments
		<p>Flexible Ramping Constraint capacity—</p> <p>(1) the CAISO will not include the EIM Balancing Authority Area in any Flexible Ramping Constraints for any combination of Balancing Authority Areas;</p> <p>(2) the CAISO will formulate only individual constraints for the EIM Entity Balancing Authority Area individual Flexible Ramping Constraint capacity requirements; and</p> <p>(3) the CAISO will hold the EIM Transfer limit into the EIM Entity Balancing Authority Area at the value for the last 15-minute interval.</p> <p>(6) Combinations of Constraints. The CAISO shall determine the Flexible Ramping Constraint capacity requirement for all possible combinations of sufficient Balancing Authority Areas in the <u>EIM-RTM</u> Area, including requirements for individual Balancing Authority Areas in each combination, by reducing the total Flexible Ramping Constraint capacity requirement for each group of Balancing Authority Areas by the total amount of EIM Internal Intertie import capability to that group from each Balancing Authority Area outside the group. <u>Cost allocation for the Flexible Ramping Constraint will be based on the initial requirement prior to adjusting for EIM Internal Intertie import capability.</u></p> <p>This is needed to be clear on how the cost allocation will be done.</p>		
29.34(m)(3)	PacifiCorp	<p>PacifiCorp requests that the CAISO add the following sentence to Section 29.34(m)(3): “The sufficiency determination will not be performed for an EIM Entity that has zero import and export transmission rights available for use by the EIM.” Section 29.34(m)(5)(1) (Effect of Insufficiency) provides circumstances under which the CAISO will hold the EIM Transfer limit into the EIM Entity BAA at the value for the last 15-minute interval. The CAISO should clarify that this</p>	<p>The evaluation does not occur every 15-minutes. It is performed for the entire hour three times prior to the start of EIM. The ISO would still perform the sufficiency evaluation if there was no transmission available for use in EIM.</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
		evaluation occurs every 15 minutes.		
29.34(m)(4)(B)	WPTF	If an EIM Entity's pro rata share of the benefit cannot be fully used given the available net import EIM Transfer capability, can the ISO allocate the unused share to the other EIM Entities and the CAISO BAA?	The pro rata share of the diversity benefit will be fully used. The transfer capability impacts the amount of diversity benefit.	Final
29.34(m)(4)(C)	Powerex	Change (C) to (D) Use of term "RTD Dispatch" should be "RTD".	The ISO agrees to make the first change. RTD refers to the process of dispatch, not the dispatch itself. As an alternative to the second proposed change, the ISO proposes to replace "RTD Dispatch" with "Real-Time Dispatch."	Final
29.34(m)(4)(C)	WPTF	Firm exports too or only non-firm?	EIM Transfers are by definition not exports.	Final
29.34(m)(4)(C)	ISO	(C) Sufficiency of an EIM Entity Balancing Authority Area with a Net Outgoing EIM Transfer. If an EIM Entity Balancing Authority Area has a net outgoing EIM Transfer (net export with reference to the EIM Base Schedule) before the Operating Hour, then it will have partially fulfilled its Flexible Ramping Constraint capacity requirement for that hour because it can retract that EIM Transfer during the hour as needed and the CAISO will apply a Flexible Ramping Constraint capacity requirement credit in determining the sufficiency of the Flexible Ramping Constraint capacity for that EIM Entity Balancing Authority Area equal to the net outgoing EIM Transfer before the Operating Hour.	ISO proposed clarification. The ISO proposes this revision to delete unnecessary language.	Final
29.34(m)(5)(2)	PacifiCorp Supplemental	Section 29.34(m)(5)(2) appears to be missing a word or transitional phrase between the words "Area" and "individual" in the referenced section.	In response to this comment, the ISO proposes to change "Area" to "Area's" for clarity.	Final
29.34(m)(6)	WPTF	Confusing. Please explain.	This was discussed in the technical workshop consistent with the Draft Final Proposal.	Final
29.34(n)(1)(A)	PacifiCorp	Section 29.34(n)(1)(A) references "regulating reserves" as a	In response to this comment, the ISO proposes to revise this	Final

Section	Party	Comment	ISO Response	Round of Comments
	Supplemental	component of reserve sharing. This is incorrect. Reserve sharing is limited to contingency reserves, which does not include regulating reserves.	section to refer to operating reserves instead of regulating reserves.	
29.34(n)(1)(B)(i)	WPTF	Suggest striking this word [bilateral] and removing the parentheses around “self-scheduled” as there isn’t really tariff language around settling bilaterals. Or would it be appropriate to say that it will be settled as if it was submitted as part of the base schedules?	This term is appropriate in the context of accounting for contingency reserve of an EIM Entity.	Final
29.34(n)(1)(B)(i)-(ii)	PacifiCorp Supplemental	Section 29.34(n)(1)(B)(i) and (ii) are not clear. The use of the phrase “if time permits” does not clearly enough indicate what is intended in terms of specific timelines. In addition, it is not clear to PacifiCorp why provision (ii) is needed if provision (iv) is allowed. If resource EIM Base Schedules for a contingency reserve event can be updated after the fact, why would it be necessary to use the update process in real-time that is used for Manual Dispatch. Furthermore, in light of what CAISO has covered in Section 29.34(n)(1)(B), PacifiCorp suggests that CAISO consolidate (or delete as appropriate) provisions in Section 29.34(n)(2) which appear to be duplicative or may properly belong in the prior section.	The ISO would prefer to receive the update in real-time.	Final
29.34(n)(1)(B)(iii)	Powerex	Change “reserve” to “reserves”	The ISO agrees to make this change.	Final
29.34(n)(1)(B)(iv)	Powerex	Because not all EIM participants necessarily will be in the same time zone, CAISO should consider clarifying the time zone applicable to all references to time of day.	Section 1.3.2(i) of the ISO tariff provides that time references are references to prevailing Pacific Time.	Final
29.34(n)(1)(B)(v)	Six Cities	It is not clear how submission of an Energy Bid will inform the ISO that resource capacity is reserved for contingency reserve responsibility.	The ISO will clarify this provision of the tariff by specifying that the Energy Bid should be below the maximum operating limit of the unit, thus reserving the additional capacity as operating reserves.	Final

Section	Party	Comment	ISO Response	Round of Comments
29.34(n)(1)(C)(ii)	SCE	This term [EIM Dispatches] is not in the definitions	In response to this comment, the ISO proposes to revise this section to refer to dispatches in the real-time market.	Final
29.35	SCE	<p>29.35 Market Validation And Price Correction. Market validation and price correction for the EIM shall be governed by Section 35, except that the CAISO may correct Real-Time Market prices within 10 Business Days in the EIM Area for a period not to exceed 90 days after the an EIM Entity Implementation Date.</p> <p>Not needed as RTM is all areas This is make clear this not just a one-time exception but occurs after each new EIM Entity joins.</p>	The ISO agrees to make these changes.	Final
29.35	Six Cities	<p>As drafted, the language of this section could be read as providing that there can be no correction of prices in an EIM Area after 90 days from the EIM Entity Implementation Date. The Six Cities suggest that the section be revised to read as follows:</p> <p>Market validation and price correction for the EIM shall be governed by Section 35, except that, for a period not to exceed 90 days after the EIM Entity Implementation Date, the time allowed for correction of Real-Time Market prices in the EIM Area shall be 10 Business Days.</p>	The ISO will include a change to reflect this requested clarification.	Final
29.37	SCE	<p>The EIM Entity needs to be added to Section 29.37. The CAISO will have no formal agreement with non-participants, therefore the EIM Entity and EIM Entity Scheduling Coordinator will need to obtain their information required for market operations and monitoring. Therefore language should be added to address this issue, which is included in the attached tariffs.</p> <p>9.37 Rules Of Conduct. EIM Entities, EIM Entity</p>	The ISO believes the first proposed change would be acceptable and will propose a change the tariff to reference that the rules of conduct apply to all EIM Market Participants. However, the ISO does not consider the second suggested change to be necessary since EIM Entities are included in the definition of EIM Market Participants.	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p>Scheduling Coordinators and EIM Participating Resource Scheduling Coordinators shall be subject to the provisions of Section 37, except for Section 37.2, <u>including the provision of information required from non-EIM participants within the respective EIM Entity.</u></p> <p>This is to be clear that EIM Entities and their SC must provide information regarding non-participants.</p>		
29.39	Powerex	<p>Powerex understands that concerns relating to this aspect of the proposed EIM have been raised from various sources, including from within the Market Surveillance Committee itself. Considering that the EIM market is totally voluntary in nature, it is untoward to apply local market power mitigation to force sellers to provide energy at a default price, given that the entity arguably would not have made the sale at the mitigated price in that instance and had every right not to bid in the voluntary market in the first place. Thus, in the context of a voluntary market like the EIM, market monitoring is appropriate <i>but market power mitigation is inappropriate</i>. If the Market Operator is displeased with the price that was bid by a prospective resource supplier, the Market Operator should opt not to dispatch the resource instead of forcing the resource to sell at a price that the resource determined was insufficient to prompt its voluntary sale.</p> <p>Consider the example of an energy-limited resource such as hydro-electric generation. If a seller of hydro-electric generation determines that it is willing to make a sale to the EIM at \$50/MWh, but the EIM design contains LMPM measures, such a market construct could permit the Market Operator to unilaterally dispatch the resource, but mitigate the price to \$30/MWh.² Yet, in this example, the seller was clearly unwilling to sell its resource output to the EIM footprint (or the CAISO footprint) at that price level. It is critically important to recognize that only the seller has the ability to determine the</p>	<p>The consideration of default energy bids and their application to the EIM was considered and resolved in the stakeholder process. The proposed tariff changes reflect that consensus.</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
		price level at which it is willing to have its resource dispatched. Designing an EIM that fails to respect the seller's offer prices and quantities can be expected to result in uneconomic dispatches of the underlying resource. For example, the seller may have chosen to have sold its energy-limited resource output in another timeframe, or to an entirely separate market, were it to have known that the price paid in the EIM would be less than the value it required for its supply. Similarly, applying LMPM may also result in a seller having to refill its energy-limited resource at costs that exceed the mitigated price level. Application of such a mitigation construct that can expropriate supply at price levels determined by the market operator in this way should be expected to chill participation in the EIM.		
29.39(c)	PG&E	Subsection (D) references a structural competitive assessment. PG&E asks the CAISO to provide additional details regarding this assessment (e.g., information on how it will be conducted, and when the CAISO will present the results to the board for approval).	The ISO has proposed to further consider this matter in association with the implementation of the EIM and revisit this matter with the ISO's governing board. In the meantime, the ISO proposes the following clarification of Section 29.39(c)(4): EIM Transfer constraints into an EIM Entity Balancing Authority Area on an EIM Internal Intertie shall be included in the Market Power Mitigation procedures if the CAISO determines that EIM Entity Balancing Authority Area market power <u>may</u> exist based on a structural competitiveness assessment of an individual or <u>group of entities within</u> EIM Balancing Authority Areas in the EIM Area, provided such authority has been granted by the CAISO Governing Board based on the assessment of structural competitiveness.	Final
29.39(c)	SCE	(1) the CAISO will not mitigate resource Bids for scheduling limit constraints with Balancing Authority Areas that do not participate in the <u>EIM Real-Time Market</u> ; * * * (4) EIM Transfer constraints into an EIM Entity Balancing Authority Area on an EIM Internal Intertie shall be included in the Market Power Mitigation procedures if the CAISO determines that EIM Entity Balancing Authority Area market	The ISO agrees to make the first change. Regarding the second proposed revision, the ISO is considering the merits of replacing the term "EIM Area" with the term "RTM Area" in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO	Final

Section	Party	Comment	ISO Response	Round of Comments
		power exists based on a structural competitiveness assessment of an individual or group of EIM Balancing Authority Areas in the EIM-RTM Area, provided such authority has been granted by the CAISO Governing Board based on the assessment of structural competitiveness.	leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.	
29.39(c)(3)	PG&E	Furthermore, as currently stated in subsection (c)(3), “ <i>EIM Resources shall be mitigated to relieve congestion on uncompetitive constraints within the same Balancing Authority Area in which the EIM Resources are located except as described in Section 29.39(c)(4)</i> ”. Given that a resource in one EIM Entity may have a significant effect on congestion on a constraint in another EIM Entity, it is possible that a resource in one EIM Entity’s BAA can exert market power on a congested constraint in another EIM Entity’s BAA. PG&E believes the CAISO should also assess that possibility and consider modifying the tariff to allow mitigation of resources in one EIM Entity that can exert market power to relieve congestion on uncompetitive constraints in another EIM Entity’s BAA.	The Department of Market Monitoring will consider this after it has actual experience with the EIM.	Final
Bid Cost Recovery Eligible Resources	SCE	<p>- Bid Cost Recovery (BCR) Eligible Resources</p> <p>Those resources eligible to participate in the Bid Cost Recovery as specified in Section 11.8, which include Generating Units, System Units, System Resources, Participating Loads, and Proxy Demand Resources and, for purposes of the Real-Time Market in the EIM-RTM Area, EIM Participating Resources. A System Resource that has a Schedule that results from Bids submitted in violation of Section 30.5.5 shall not be a Bid Cost Recovery Eligible Resource for any Settlement Interval that occurs during the time period covered by the Schedule that results from Bids submitted in violation of Section 30.5.5.</p>	<p>Regarding the first proposed revision, the ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.</p> <p>Regarding the second proposed revision, the ISO has made a distinction in its proposed new defined terms between the term “EIM Resource” as applicable to the resource itself and the term “EIM Participating Resource” as applicable to the</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
			entity responsible for the resource. As used in this provision, the term “EIM Resource” is the appropriate term given these definitions.	
Curtable Demand	SCE	<p>Curtable Demand</p> <p>Demand from a Participating Load or Aggregated Participating Load that can be curtailed at the direction of the CAISO in the Real-Time Dispatch of the CAISO Controlled Grid or in the EIM Real-Time Market Area.</p>	The ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.	Final
EIM Area	SCE	<p>The term ‘EIM Area’ as the footprint covering the real-time market is very confusing. Instead, the term ‘RTM Area’ should be used as that is clear that it means all balancing authority areas. The term ‘EIM Area’ should just be the combination of EIM Entities. This change should also be made throughout Section 29.</p> <p>- EIM Real-Time Market Area The combined CAISO Balancing Authority Area and all EIM Entity Balancing Authority Areas.</p> <p>- EIM Area The combined area of participating EIM Entity Balancing Authority Area.</p> <p>This definition is confusing as there is no ‘EIM Market’ A better definition should be RTM area. This allows EIM area to be just the combination of EIM Entities. This will lead to less confusion.</p>	<p>The ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.</p> <p>The ISO is also considering whether a separate defined term is needed for the combined area of participating EIM Entity Balancing Authority Areas. It is the ISO’s initial view that this concept is not used enough in the EIM tariff language to merit the establishment of a separate defined term for this combined area.</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
EIM Area Measured Demand	SCE	<p>- <u>EIM-RTM</u> Area Measured Demand</p> <p>The metered CAISO Demand and metered EIM Demand plus Real-Time Interchange Export Schedules, excluding that portion of Demand of Non-Generator Resources dispatched as Regulation through Regulation Energy Management and EIM Transfers out of an EIM Entity Balancing Authority Area.</p>	<p>The ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.</p> <p>In addition, the ISO is considering adding a hyphen to the name of this defined term in order to minimize potential confusion with the combination of other defined terms that otherwise comprise this term. The ISO is tentatively proposing to modify the name of this term to be “EIM Area-Measured Demand.”</p>	Final
EIM Base Schedule	PacifiCorp	<p>The definition of “EIM Base Schedule” clearly maintains the schedules for resources at an hourly level. PacifiCorp seeks confirmation or clarification from the CAISO that the resource component of an EIM Base Schedule will always be hourly even for variable energy resources in light of the CAISO’s Order No. 764 implementation.</p>	<p>This is correct.</p>	Final
EIM Bid Adder	SCE	<p>-EIM Bid Adder</p> <p>A Bid component that provides <u>exclusively to EIM Participating Resources an opportunity to recover costs of compliance with California Air Resources Board greenhouse gas regulations which allows them to demand a higher price for transactions deemed to flow to the CAISO BA than prices charged to non-CAISO BA buyers.</u></p> <p>Could also use our definition of EIM Area buyers.</p>	<p>The ISO believes that the definition should reflect the purpose in this case and that the revisions proposed by SCE are not an improvement on the definition proposed by the ISO. The revisions proposed by SCE tend more to describe the substance of the tariff provisions relevant to this defined term, which the ISO considers more appropriately addressed in the substantive provisions of the tariff language.</p>	Final
EIM External Intertie	SCE	<p>- EIM External Intertie</p> <p>A point of interconnection between an EIM Entity Balancing Authority Area and an interconnected Balancing Authority</p>	<p>The ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
		Area other than a Balancing Authority Area in the EIM-RTM Area.	between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.	
EIM Interchange	SCE	-EIM Interchange The net amount of scheduled transfers into and out of a Balancing Authority Area in the EIM-RTM Area in a given interval.	The ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.	Final
EIM Internal Intertie	SCE	- EIM Internal Intertie A point of interconnection between an EIM Entity Balancing Authority Area and another Balancing Authority Area in the EIM-RTM Area.	The ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.	Final
EIM Internal Intertie	WPTF	This a little ambiguous because the other BAA will not, by definition, be in the EIM Area.	The ISO intends that this term and its definition describe an intertie between an EIM Entity balancing authority area and the ISO balancing authority area or between two EIM Entity balancing authority areas. In either event, the other balancing authority area will be within the EIM Area, at least as the ISO has currently proposed to define that term. This definition distinguishes the term “EIM Internal Intertie” from the term	Final

Section	Party	Comment	ISO Response	Round of Comments
			“EIM External Intertie,” which applies to interties with balancing authority areas outside the EIM Area.	
EIM Intertie	WPTF	The definition seems circular.	The ISO intends that this term and its definition describe all interties of the ISO and the EIM Entities. As the ISO has proposed substantive definitions for the terms “EIM Internal Intertie” and “EIM External Intertie” to describe mutually exclusive subsets of all of the interties of the ISO and the EIM Entities, it is the simplest approach to reference these other substantively defined terms as the source for the definition of this term.	Final
EIM Market Participant	SCE	- EIM Market-Participants An EIM Entity, EIM Entity Scheduling Coordinator, EIM Participating Resource, or EIM Participating Resource Scheduling Coordinator.	The ISO believes the singular is appropriate in the name of this defined term in light of the use of “or” in the definition. In any event, the singular includes the plural under the ISO tariff, so there is no substantive distinction between these approaches to naming this term.	Final
EIM Resource; EIM Participating Resource	PacifiCorp	The CAISO introduces the defined terms “EIM Resource” and “EIM Participating Resource.” While PacifiCorp believes that it understands the distinction between the two terms (the former as the physical resource and the latter as the entity), the usage of the terms throughout Section 29 appears to treat these terms as interchangeable, which may promote confusion as a result of the plain meaning of the terms. PacifiCorp suggests that the CAISO maintain the term “EIM Participating Resource” to refer to the resource and use a different nomenclature to reflect the owner, operator, or seller.	The ISO is reviewing the EIM tariff language to ensure consistent use of these defined terms. The ISO is also considering PacifiCorp’s proposed revisions to the names of these terms. However, the names of these terms are very similar to the names and uses of the terms “Generating Unit” and “Participating Generator” in the existing ISO tariff, so the ISO would need to be convinced that a revised approach to these terms in the EIM tariff is justified as improving clarity and reader understanding.	Final
EIM Transmission Service Provider	PacifiCorp	PacifiCorp maintains concerns about the use of the defined term “EIM Transmission Service Provider” in the CAISO Tariff. PacifiCorp understands that this term evolved from stakeholder discussions. However, PacifiCorp believes that arrangements between itself, as an EIM Entity, and any other	The ISO believes a generic term is appropriate and necessary to distinguish those transmission providers that have made transmission in an EIM Entity’s balancing authority area available for use for transactions in the ISO’s Real-Time Market from those that have not. As set forth in the	Final

Section	Party	Comment	ISO Response	Round of Comments
		<p>entities within its BAA that own and/or control transmission is a matter to be addressed by the EIM Entity through its tariff and joint coordination with such transmission owners. PacifiCorp agrees with the current language in Section 29.17(a), in which the EIM Entity is responsible for registering all transmission capacity available for use in the EIM; however, PacifiCorp does not feel that additional provisions addressing how the EIM Entity and any other transmission owners will interact or make arrangements are appropriate for the CAISO Tariff. For any single transmission ownership scenario, there may be multiple unique circumstances requiring tailored solutions and which are more appropriately addressed by the EIM Entity. In any event, the term “EIM Transmission Service Provider” is confusing and suggests that all owners of transmission within EIM Entities are also FERC-jurisdictional transmission service providers, a term with its own distinct legal and regulatory meanings and obligations, which is not always the case. In order to avoid this type of confusion, PacifiCorp has elected to use the term “PacifiCorp BAA Transmission Owner” in its draft OATT posted January 16, 2014.</p>	<p>substantive provisions of the EIM tariff language, the ISO considers this term useful to describe some of the functions and relationships of these transmission service providers that are important to the operation of the EIM. The ISO has been careful in the proposed EIM tariff language to avoid a suggestion that there is a relationship between EIM Transmission Service Providers and the ISO.</p>	
Energy Imbalance Market	WPTF	<p>Is the EIM just rules? It seems like it is an Energy Imbalance Market. Would it be better to say the Market for energy imbalances as provided for by the rules and procedures in Section 20...”?</p>	<p>As the ISO discussed in the introduction to the draft final tariff language, the ISO changed numerous references in the draft tariff language from the EIM to the real-time market. This reflects the conceptual discussion presented in the first tariff stakeholder meeting – that the EIM is an extension of the ISO real time market and not a separate market. Consistent with this approach, the ISO has proposed to limit the remaining references to the Energy Imbalance Market in the tariff language just to the conceptual rules and procedures that alter the ISO’s current operation of its real-time market. The only substantive use of the full term “Energy Imbalance Market” left in the tariff language is as part of references to the Business Practice Manual for the Energy Imbalance Market</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
			that the ISO intends to develop. The only uses of the term “EIM” as a stand-alone term are in a few very general references to the general concept and processes for the EIM. Consequently, the ISO considers the proposed new definition to be consistent with its proposed new tariff language structure.	
Interchange	Six Cities	In the second line, change the “and” before “EIM” to “an”.	The ISO agrees to make this change.	Final
Interchange Schedule	Powerex	Interchange Schedule definition: “between and EIM Entity” should be “between an EIM Entity”	The ISO agrees to make this change.	Final
Interchange Schedule	Six Cities	In the third line, change the “and” before “EIM” to “an”.	The ISO agrees to make this change.	Final
Node	SCE	<p>- Node</p> <p>A point in the Full Network Model representing a physical location within the CAISO Balancing Authority Area, the CAISO Controlled Grid, or the <u>EIMRTM</u> Area that includes the Load and Generating Unit busses in the CAISO Balancing Authority Area (which includes a Pseudo-Tie of a Generating Unit to the CAISO Balancing Authority Area) and EIM Area and at the Intertie busses between the CAISO Balancing Authority Area and EIM Entity Balancing Authority Areas and interconnected Balancing Authority Areas.</p> <p>Not sure which area this is intended to describe?</p>	<p>The ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.</p> <p>Regarding SCE’s comment regarding the use of “EIM Area” later in the definition, this reference will be clarified to included pseudo-ties that are part of an EIM Entity balancing authority area.</p>	Final
Point(s) of Delivery of Withdrawal	SCE	<p>- Point(s) Of Delivery (POD) Or Withdrawal</p> <p>Point(s) within the CAISO Balancing Authority Area or, in the Real-Time Market <u>only, the EIM</u> Area where Energy</p>	The ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a	Final

Section	Party	Comment	ISO Response	Round of Comments
			<p>matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.</p> <p>However, even if the ISO were to use the term “RTM Area” in this definition, SCE’s proposed revision would eliminate the intended limitation of this EIM tariff language to apply to the ISO’s real-time market only. To capture this intent, the ISO considers the word “only” and the accompanying comma to be important to this definition, although the ISO does consider SCE’s proposed revision to point out the need for a different clarification of this intent, which the ISO proposes to address by replacing the word “in” with the phrase “for purposes of.”</p>	
Point(s) of Receipt or Injection	SCE	<p>- Point(s) Of Receipt (POR) Or Injection Point(s) within the CAISO Balancing Authority Area or, in the Real-Time Market only, the EIM Area where Energy and Ancillary Services are made available by a delivering party under this CAISO Tariff.</p>	<p>The ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.</p> <p>However, even if the ISO were to use the term “RTM Area” in this definition, SCE’s proposed revision would eliminate the intended limitation of this EIM tariff language to apply to the ISO’s real-time market only. To capture this intent, the ISO considers the word “only” and the accompanying comma to be important to this definition, although the ISO does consider SCE’s proposed revision to point out the need for a different clarification of this intent, which the ISO proposes to address by replacing the word “in” with the phrase “for purposes of.”</p>	Final

Section	Party	Comment	ISO Response	Round of Comments
Real-Time Congestion Offset	SCE	<p>- Real-Time Congestion Offset <u>Real-time Congestion Offset is defined as</u> the the amount calculated under Section 11.5.4.1 for the purposes of determining the non-zero offset amount allocation.</p>	The ISO does not consider SCE’s proposed revision to be appropriate, as it is inconsistent with the standard structure of definitions in the ISO tariff.	Final
Reference Bus	SCE	<p>-Reference Bus The Location(s) in the <u>EIM-RTM</u> Area relative to which mathematical quantities relating to powerflow solution will be calculated.</p>	The ISO is considering the merits of replacing the term “EIM Area” with the term “RTM Area” in the draft tariff language as proposed by SCE. The ISO does not consider the choice between these terms to raise any substantive issues and considers the choice between these terms to be primarily a matter of maximizing clarity for readers of the tariff language. The ISO leans toward maintaining the current use of EIM Area and encourages other stakeholders to express a preference regarding the choice between these terms for use in these tariff provisions.	Final
System Resource	SCE	<p>-System Resource A group of resources, single resource, or a portion of a resource located outside of the CAISO Balancing Authority Area, or an allocated portion of a Balancing Authority Area’s portfolio of generating resources that are either a static Interchange Schedule or directly responsive to that Balancing Authority Area’s Automatic Generation Control (AGC) capable of providing Energy and/or Ancillary Services to the CAISO Balancing Authority Area or, for the purposes of scheduling and operating the Real-Time Market <u>in the EIM Area</u>, an EIM Entity Balancing Authority Area, provided that if the System Resource is providing Regulation to the CAISO it is directly responsive to AGC.</p> <p>Does this mean EIM Entity resources providing regulation services to the CAISO? I thought the EIM Entity maintains this function?</p>	The ISO will consider whether to clarify clarify this definition to reflect it is an eligible EIM participating resource from outside of the EIM area.	Final

Section	Party	Comment	ISO Response	Round of Comments
EIM Entity Agreement	PacifiCorp	PacifiCorp requests that the CAISO consider whether the EIM Entity Agreement should cover the ability of the EIM Entity to take corrective actions as contemplated in Section 29.4(b)(5). The EIM Entity Agreement currently does not appear to address an EIM Entity’s ability to invoke contingency corrective actions, even in the event of termination. Because the CAISO has included mitigation measures in the CAISO Tariff, these measures need to be reflected in the EIM Entity Agreement.	As the EIM Entity Agreement binds the ISO and the EIM Entity to comply with all the provisions of Section 29 of the ISO tariff, it is not necessary to copy specific tariff rights and responsibilities into the agreement. However, if PacifiCorp and other stakeholders feel strongly that this is a particular aspect of the tariff that should be emphasized in the agreement, the ISO is willing to consider revising the agreement to address this particular matter.	Final
EIM Entity Agreement Six Cities § 2.1	Six Cities	In the eighth line, capitalize “reliability standards”.	The ISO agrees to make this change.	Final
EIM Entity Agreement Six Cities § 3.2.1	Six Cities	The section as drafted is incomplete, because the ISO also can terminate the agreement pursuant to Section 29.1(d).	The ISO proposes to address this comment by adding the phrase “pursuant to Section 29.1(d) of the CAISO Tariff or” following “notice of termination” in the second line of this section.	Final
EIM Entity Scheduling Coordinator Agreement § 8.1	Six Cities	Add at the end of the section “and for all costs allocated or assigned to it pursuant to the CAISO Tariff.” The ISO’s response to this comment on the matrix of comments and responses concerning the first round of comments on the draft tariff language does not make sense, because the EIMESCA concerns the relationship between the ISO and the EIM Entity Scheduling Coordinator, which is responsible for charges assessed under the ISO Tariff.	First, as this provision is essentially identical to the same provision in the pro forma Scheduling Coordinator Agreement, the ISO does not consider it appropriate to modify that standard provision for purposes of this agreement. More substantively, the proposed addition would mix concepts inappropriately. Section 8.1 of the agreement is intended to address costs incurred by an EIM Entity scheduling coordinator to undertake the functions of a scheduling coordinator pursuant to the agreement. The proposed addition would add a reference to settlement obligations imposed pursuant to the ISO tariff in its role as representing an EIM Entity. These settlement obligations are general tariff compliance obligations that are not “costs” incurred by the scheduling coordinator to undertake scheduling coordinator functions. These settlement obligations and other tariff	Final

Section	Party	Comment	ISO Response	Round of Comments
			compliance obligations are imposed on the scheduling coordinator by the terms of section 2.1.2 of the agreement.	
EIM Implementation Agreement	SMUD	SMUD notes that EIM Implementation Agreement is a defined agreement in section 29.2(b). However, it is not a defined term in the section New EIM Defined Terms. SMUD suggests including a definition such as: “An agreement between a Balancing Authority wishing to become an EIM Entity and the CAISO, the details of which are set forth in Section 29.2(b)”. In addition, there is no pro-forma EIM Implementation Agreement included as an Appendix. Is it the CAISO’s intent not to have a pro-forma agreement? If the CAISO intends to create a pro-forma EIM Implementation Agreement, the definition suggested above could be revised to reference Appendix B.	While the term “EIM Implementation Agreement” is not used in the posted EIM tariff language as a defined term (SMUD has mistaken the capitalization of the heading of section 29.2(b) for a defined term), the ISO is willing to create a defined term for this agreement to refer to the provisions of section 29.2(b), similar to the definition proposed by SMUD. The ISO does not intend to create a pro forma version of this agreement, so the ISO will not be adding this agreement to Appendix B of its tariff.	Final
EIM Participating Resource Agreement § 2.2	Six Cities	In the caption to the section, delete “Participating”.	The ISO agrees to make this change.	Final
EIM Participating Resource Agreement § 3.2.2	Six Cities	In the last sentence, change “Entity’s” to “Participating Resource’s”.	The ISO agrees to make this change.	Final
EIM Participating Resource Agreement § 5.2	Six Cities	In the second line, insert “of” after “29”.	The ISO agrees to make this change.	Final

Section	Party	Comment	ISO Response	Round of Comments
EIM Participating Resource Scheduling Coordinator Agreement § 8.1	Six Cities	Add at the end of the section “and for all costs allocated or assigned to it pursuant to the CAISO Tariff.” The ISO’s response in the matrix of comments and responses concerning the first round of comments on the draft tariff language indicated that the ISO would make this change, but it is not included in the revised draft tariff language.	First, as this provision is essentially identical to the same provision in the pro forma Scheduling Coordinator Agreement, the ISO does not consider it appropriate to modify that standard provision for purposes of this agreement. More substantively, the proposed addition would mix concepts inappropriately. Section 8.1 of the agreement is intended to address costs incurred by an EIM Entity scheduling coordinator to undertake the functions of a scheduling coordinator pursuant to the agreement. The proposed addition would add a reference to settlement obligations imposed pursuant to the ISO tariff in its role as representing an EIM Entity. These settlement obligations are general tariff compliance obligations that are not “costs” incurred by the scheduling coordinator to undertake scheduling coordinator functions. These settlement obligations and other tariff compliance obligations are imposed on the scheduling coordinator by the terms of section 2.1.2 of the agreement.	Final
General	SMUD	Business Practice Manual SMUD observes that the Tariff makes numerous references to the Business Practice Manual (BPM) for the Energy Imbalance Market, which will contain many important details. As this BPM will be an integral part of the EIM, SMUD looks forward to the CAISO beginning development of the BPM as soon as possible.	The ISO has initiated development of the business practice manual for the EIM.	Final
General	Xcel	At this point Xcel Energy has no additional comments with respect to the proposed EIM tariff language. We wish to re-register one point, which we have mentioned in several forums: we believe the active cooperation of the Peak Reliability Coordinator with the EIM Entity and CAISO in the congestion management process will be a critical undertaking in the coming months and once the EIM begins operations. We will work to assist CAISO, PacifiCorp and Peak Reliability as best we can in working towards a timely and efficient startup of EIM operations.	The ISO will continue to coordinate with interested balancing authorities and the reliability coordinator.	Final

Section	Party	Comment	ISO Response	Round of Comments
General	PacifiCorp	PacifiCorp requests that the CAISO provide as much advance notice as possible on the stakeholder conference call referenced in the introduction addressing any further substantive changes to the Draft Final Tariff, which PacifiCorp understands will be posted by Market Notice. PacifiCorp also seeks more information from the CAISO on its planned schedule for the posting, review, and comment of its draft EIM Business Practice Manual(s) ("BPM").	The ISO has included all identified incremental changes in the responses contained in this document.	Final
General	PacifiCorp	Section 29 makes numerous time requirements. To the extent that the CAISO Tariff does not already do so, the CAISO should clarify that all such time requirements are based on Pacific Standard Time, to reflect that EIM Entities may have resources located in other time zones, including, for example, Mountain Standard Time.	Section 1.3.2(i) of the ISO tariff provides that time references are references to prevailing Pacific Time.	Final