



Stakeholder Comments Template

Day-Ahead Market Enhancements Phase 1 Initiative

This template has been created for submission of stakeholder comments on the third revised straw proposal that was published on February 28, 2019. The proposal, Stakeholder meeting presentation, and other information related to this initiative may be found on the initiative webpage at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/Day-AheadMarketEnhancements.aspx>

Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on March 21, 2019.

Submitted by	Organization	Date Submitted
<i>Mike Whitney</i> mike.whitney@ncpa.com (916) 781-4205	<i>Northern California Power Agency (NCPA)</i>	<i>3/23/2019</i>

Please provide your organization's comments on the following issues and questions.

1. Fifteen-Minute Granularity Design Features

Please provide your organization's feedback on the fifteen-minute scheduling granularity features topic as described in section 2 of the proposal. Please explain your rationale and include examples if applicable.

NCPA understands the 15-minute scheduling challenges that the CAISO market is facing, as it relates to granularity and timing, and NCPA generally supports the concepts and features proposed in Phase 1 of this initiative. Notwithstanding NCPA's initial support, NCPA is concerned that the implementation timelines proposed by the CAISO will not be sufficient to ensure successful implementation of such major changes. In the past, CAISO has exhibited a tendency to release major market changes that contain material deficiencies that have to be corrected over time. This can create material financial exposure to market participants. NCPA believes that not properly implementing and testing a 15-minute scheduling granularity design would result in significant financial consequences to market participants. As such, NCPA believes the implementation timeline being considered will need to be adjusted to include very robust structured and unstructured market simulations, based on a clearly defined set of measurable and verifiable milestones, managed in close coordination and collaboration with stakeholders prior to releasing the changes into the production

environments. When planning for this testing and implementation process, CAISO must not only consider the time that is necessary to update its own systems, but must also factor in sufficient time to allow market participants to update their systems and procedures to ensure a successful implementation.

Regarding the proposal to adjust the timing of the day-ahead market process, NCPA prefers maintaining a market close time of 10:00 AM Pacific, and would prefer an option where market results are published one (1) hour later. NCPA believe this will have the least negative impact on current business processes and staffing.

NCPA currently operates in the CAISO as a load-following metered subsystem. NCPA encourages the CAISO to consider this operating practice as part of its design, to ensure that any market changes that may impact a LF-MSS are properly considered as part of the design.

Lastly, NCPA would like to see the bid segment fee (GMC CC 4515) reduced by a factor of four similar to the reduction in the IST scheduling fee.

Please provide your organization's position on the fifteen-minute scheduling granularity features topic as described in section 2 of the proposal. (Please indicate Support, Support with caveats, Oppose, or Oppose with caveats)

NCPA has no comment at this time.

2. Fifteen-Minute Granularity Impacts to the Energy Imbalance Market

Please provide your organization's feedback on the Fifteen-Minute Granularity Impacts to the Energy Imbalance Market topic as described in section 3 of the proposal. Please explain your rationale and include examples if applicable.

NCPA has no comment at this time.

Please provide your organization's position on the Fifteen-Minute Granularity Impacts to the Energy Imbalance Market topic as described in section 3 of the proposal. (Please indicate Support, Support with caveats, Oppose, or Oppose with caveats)

NCPA has no comment at this time.

3. Energy Imbalance Market Governing Body Role

Please provide your organization's feedback on the EIM Governing Body Role as described in section 4 of the proposal. Please explain your rationale and include examples if applicable.

NCPA supports the EIM classification.

Please provide your organization's position on the EIM Governing Body Role as described in section 4 of the proposal. (Please indicate Support, Support with caveats, Oppose, or Oppose with caveats)

NCPA has no comment at this time.

Additional comments

Please offer any other feedback your organization would like to provide on the Day-Ahead Market Enhancements Phase 1 initiative third revised straw proposal.

NCPA has no additional comments at this time.