

Southern California Edison
Stakeholder Comments

Energy Imbalance Market
EIM Tariff Framework
issued September 10, 2013

Submitted by	Company	Date Submitted
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The following are Southern California Edison’s (SCE) comments on the California Independent System Operator’s (CAISO) Energy Imbalance Market (EIM) tariff framework issued on September 10, 2013.¹ SCE continues to support the development of an EIM. SCE shares the CAISO’s goal to create a robust set of rules and processes for other balancing authorities to participate in a combined EIM that can result in operational and cost benefits to all parties.

SCE comments on the following issues:

- SCE endorses the guiding objectives for the tariff framework
- Termination provisions of the EIM participation agreements are missing from Section 29
- How will the EIM, FERC 764, and Full Network Model Expansion tariff changes be coordinated?

As the CAISO is seeking comments only on the framework itself, SCE does not comment on specific language, at this time. SCE understands that future drafts will provide opportunity to comment on specific language, and SCE will provide comments on detailed language at that time.

1. SCE endorses the guiding objectives for the tariff framework

The CAISO sets out the consistency objective as follows: “[t]he tariff framework should reference the current ISO tariff with respect to provisions equally applicable to the EIM and

¹ <http://www.caiso.com/Documents/TariffFramework-EnergyImbalanceMarket.pdf>

current market participants.” SCE endorses this objective as EIM participants will be engaged in the CAISO real-time market (15 and 5 minute) and many of the provisions of the current tariff will apply to all parties. If there are any exceptions specific to EIM, then those details would be included in Section 29. The CAISO should take care to avoid duplicative language that could become inconsistent if only one part of the tariff is later modified.

SCE supports CAISO’s apparent structuring of the Section 29 for EIM which would cover three situations:

- 1) If the applicable rules are identical for EIM as in the current CAISO Tariff, then the relevant existing section(s) would be referenced in Section 29.
- 2) If the applicable rules are specific to EIM only, and do not contradict any portion of the existing CAISO Tariff, then they would be specified in Section 29.
- 3) If the applicable rules are a modification of the existing CAISO Tariff, then the relevant section would be referenced, and the specific modifications would be specified in Section 29.

2. Termination provision of the EIM participation agreements are missing from Section 29

The notification and process for an EIM Entity or EIM Participating Resource, and their respective Scheduling Coordinators to terminate their participation agreement is missing from the draft EIM tariff framework. The EIM Entity does not exist in the current market, so Section 29 needs to include a provision for the termination of the EIM Entity agreement. The current tariff has “Section 4.5.4.4 Termination of Scheduling Coordinator Agreement and Suspension of Certification.” A similar section should be added to Section 29 which references Section 4.5.4.4.

3. How will the EIM, FERC 764, and Full Network Model Expansion tariff changes be coordinated?

Section 29.11.3 Instructed Imbalance Energy, Section 29.11.4 Uninstructed Imbalance Energy, Section 29.11.5 Unaccounted For Energy will all need to change for the CAISO Scheduling Coordinators with the implementation of FERC Order 764. In addition, there is the Full Network Model Expansion project which will require tariff changes. As these projects are occurring in parallel. What is the CAISO's plan to keep all the proposed changes in sync?