

## Stakeholder comments – Dec 2019 Tariff Clarifications

Submitted by	Organization	Date Submitted
<i>Aditya Chauhan</i> <a href="mailto:aditya.chauhan@sce.com">aditya.chauhan@sce.com</a>	SCE	6/11/2020

Southern California Edison (SCE) provides the following comments on the California Independent System Operator (CAISO) Dec 2019 Tariff Clarifications.<sup>1</sup>

### **Sections 37.8.4~8 – SCE does not support the proposed changes**

SCE appreciates the CAISO's endeavor to streamlining its processes. However, SCE disagrees that these proposed changes are warranted. Misconduct determination is under the CAISO's purview, not the SC's. The CAISO is tasked by its tariff to determine the roles of various participants in case of a violation. This responsibility and authority should not be removed for the sake of streamlining. While SCE understands that the CAISO may not always know the extent to which a market participant other than the SC is involved, to the extent that the CAISO does believe that such an involvement exists, the CAISO should directly involve that party rather than strictly rely upon the SC to do so on their behalf. Finally, SCE disagrees that the SC is or should be the agent of a market participant in all cases even if they are for some aspects. SCE has asked the CAISO to better delineate the appropriate party to seek information from when information provision is necessary. Continuing to rely upon the SC is not the appropriate policy when the information can be obtained more quickly and accurately from the market participant.

### **Section 37.9.3.1 – SCE does not support the proposed changes**

SCE disagrees that this removal is warranted. The removal of this language removes the CAISO's responsibility and authority in determining participant behavior as well as issuing appropriate penalties. The revisions as drafted would simply have the CAISO execute a penalty via settlements with no communication as to who caused the penalty, what caused the penalty, and the amount of the penalty. Such information is necessary such that contractual counter-parties know which party caused costs to be incurred such that the contractual provisions can be applied. This information is necessary for the SC and the market participants. Additionally, there should be minimum required timing for which the SC is notified of potential sanctions caused by a generator.

### **Section 37.4.1 – SCE does not support the proposed changes**

The CAISO states, "The existing sanctions process for late outage reporting does not create meaningful incentives for compliance." This statement indicates a policy change and is not appropriately placed in a "Tariff Clarification" filing. Clarifications should provide additional information on what the tariff was intended to accomplish. This penalty

---

<sup>1</sup> <http://www.caiso.com/Documents/SecondRevisedDraftTariffLanguageMatrix-Dec2019TariffClarifications.docx>

was intended to accomplish compliance from market participants. If this incentive has not worked, it is not appropriate to “clarify” that the CAISO will not utilize it any longer. If a change is needed to provide further incentives to comply, those types of changes should be done through a stakeholder process to evaluate the incentives and needs rather than through a “clarification”.