

**Stakeholder Comments on:  
The CAISO's Changes to CRR Provisions Due to  
MRTU Start Delay and Load Migration Calculation  
Timing**

<b>Submitted by (Name and phone number)</b>	<b>Company or Entity</b>	<b>Date Submitted</b>
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Southern California Edison Company ("SCE") hereby submits its initial comments on the California Independent System Operator's ("CAISO") Changes to CRR Provisions Due to MRTU Start Delay and Load Migration Calculation Timing, to be filed September 5, 2008.

**I. Introduction:**

SCE appreciates the opportunity to submit comments regarding the CAISO's Changes to CRR Provisions Due to MRTU Start Delay and Load Migration Calculation Timing ("Changes to CRR Provisions"). SCE commends the CAISO on all its efforts in developing a workable solution to address CRR issues in spite of the MRTU project delay. Based on the CAISO's Changes to CRR Provisions, SCE will provide specific comments to the CAISO assuming a first quarter of calendar year 2009 MRTU start-up. In the event the MRTU start-up slips beyond the first quarter of 2009, SCE requests that the CAISO re-initiate the stakeholder process and modify its Changes to CRR Provisions to accommodate the new MRTU start-up date.

## **II. Tracking of Load Migration by CAISO:**

First, SCE supports the CAISO's proposed changes to Tariff Section 36.8.5.1 on the frequency in receiving information from each UDC, MSS Operator, and other entity providing distribution service on an ongoing monthly basis. Second, SCE requests the CAISO to describe the methodology for adjustment calculations due to load migration for both annual and monthly basis in the applicable Business Practice Manual.

## **III. Credit Margins:**

The credit margins associated with a CRR is a critical component of the CAISO's overall CRR credit policy as well as a significant consideration for LSEs in the allocation nomination process. For Annual 2009 CRR process, there were significant changes with the full network model and outdated marginal congestion data from the 2004 LMP simulation study. However, the CAISO only plans to publish new credit margins 30 days prior to the auction for new sources and sinks, which will occur after the completion of both Tier 1 and 2 of the allocation process.

Since the CRR credit margins will have a profound impact on both the CRR holdings and bidding requirements, SCE requests the CAISO to modify its Tariff Section 12.6.3.4 to include at least once a year reassessments of credit margins across the entire full network model, along with its updated congestion data, three weeks prior to the start of the Tier 1 Annual CRR Allocation Process.