

# Comments of Seattle City Light on CAISO 2020 Draft Policy Initiatives Catalog

Submitted by	Company	Date Submitted
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Seattle City Light (Seattle) is the tenth largest consumer owned electric utility in the nation, providing electrical service to more than 450,000 residential, commercial, and industrial customers in the City of Seattle, Washington and six adjacent cities. Seattle owns and operates hydroelectric resources with approximately 2,000 MW of flexible, fast-ramping capacity. We regularly transact in the wholesale energy and transmission markets. Seattle executed an Implementation Agreement with the California Independent System Operator (CAISO) and intends to begin participating in the Western Energy Imbalance Market (EIM) in April 2020.

## **Summary**

Seattle City Light (SCL or Seattle) appreciates the opportunity to submit comments on CAISO’s Draft 2020 Policy Initiatives Catalog. We are generally pleased with the CAISO’s planned initiatives. We offer support for a number of initiatives and make recommendations on process improvements for DAME Phase I and II, recommend that EDAM be classified as under the primary authority of the EIM governing body and recommend improvements to the policy catalog that would enhance transparency.

## **Initiatives Currently Planned or Underway**

Seattle supports many of the planned or underway initiatives, including: EIM governance review, RA enhancements, multi-greenhouse gas area and system market power.

## **EDAM**

Seattle supports how CAISO has composed the five initiatives that would make up EDAM as these reflect the key policy and market design issues and decisions that will be necessary in moving the EDAM effort forward. Seattle disagrees with the advisory decisional classification of this initiative and recommends that the EIM governing body have primary authority over this initiative since the primary driver is EIM. We believe classifying this initiative under the primary authority of the EIM governing body will be in alignment with the proposed changes to EIM decisional classification that are currently set to be considered by the CAISO Board of Governors.

## **DAME Phase I and II**

Seattle is supportive of the concept behind the day-ahead market enhancements initiatives and supports CAISO moving forward with these, however, we note the challenge with the timing of DAME Phase I and II and the EDAM initiative. The feasibility assessment is the precursor to the EDAM initiative and given the parallel timeline this effort and the DAME initiatives are proceeding along, it is challenging for the feasibility assessment to incorporate the major changes in DAME Phase II in particular, and factor these into its analysis. Further, given the major changes contemplated in DAME, Seattle believes this effort would benefit from a series of stakeholder workshops to help further identify stakeholder concerns and recommendations and use these to help tailor future iterations of the proposals.

### **Discretionary Initiatives**

Seattle offers support for the following discretionary initiatives:

#### **Settlement of Non-Conforming Loads in EIM Balancing Areas**

Seattle is very supportive of CAISO pursuing this initiative. We note that this is a discretionary initiative that is not currently planned or underway. We recommend that CAISO prioritize this initiative commencing in the near term. Seattle has non-conforming load on its system and agrees that non-conforming load and the resulting EIM imbalance charges that may be inflicted on EIM entities represents a significant financial risk to these entities. Seattle is very encouraged that CAISO is looking to explore alternatives to administer non-conforming loads' imbalance charges.

#### **EIM Base Schedule Submission Deadline**

Seattle is supportive of an initiative that examines moving the final base schedule submissions closer to the operating hour.

### **General Comments on Draft Stakeholder Catalog**

Seattle believes it would be very helpful for CAISO to provide more transparency on its decision-making process for initiatives in the policy catalog. For initiatives that CAISO adds to the catalog today there is a description of who proposed it, but no explanation on CAISO's decision making to add it to the catalog. For initiatives proposed by stakeholders that don't get added to the catalog there is no transparency on CAISO's decision not to include these. To address this, Seattle recommends that CAISO include a section in the policy catalog, perhaps an appendix with a matrix, that describes initiatives proposed by stakeholders and CAISO's response-if CAISO added the initiative to the catalog, an explanation of why and if CAISO did not add the initiative, why not.

Thank you for the opportunity to comment and if you have any questions please contact Lea Fisher at [lea.fisher@seattle.gov](mailto:lea.fisher@seattle.gov) (206) 684-4546.