

Comments of Seattle City Light on Day Ahead Market Enhancements: 15-minute scheduling granularity second revised straw proposal

Submitted by	Company	Date Submitted
Robert Cromwell, Jr., Regional Affairs, Contracts & Strategic Planning Director robert.cromwell@seattle.gov (206) 684-3856	Seattle City Light	September 18, 2018

Background

Seattle City Light (Seattle) is the tenth largest consumer owned electric utility in the nation, providing electrical service to more than 415,000 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 Energy Imbalance Market (EIM) in April 2020.

Summary

Seattle City Light supports splitting this initiative into two phases but emphasizes the need to prioritize the second phase of the initiative. Adequately pricing flexibility should be a high priority for the CAISO, and Seattle wishes to see both phases of this initiative successfully implemented.

Comments

Seattle City Light supports splitting this initiative into two phases. Setting the implementation deadline almost two years beyond when it is seeking final policy approval will allow market participants, vendors, and the CAISO staff charged with implementing the change, to follow an orderly, efficient, and well-tested implementation process. However, the policy development process is still moving forward on what appears to be a relatively aggressive schedule given the impact and implementation hurdles of the changes being proposed, stakeholder feedback to date, and limited CAISO response to stakeholder concerns. Every effort should be made to help ensure realistic policy and implementation expectations are set up-front to prevent delays down the road.

Further, Seattle is supportive of CAISO increasing the granularity of EIM resource sufficiency tests to 15-minute so that penalties are imposed in only those intervals with test failures. Seattle is encouraged that CAISO proposes to address other EIM resource sufficiency changes through business practice changes. Seattle thanks CAISO for its plan to prepare a

white paper that will provide considerably more detail regarding these changes than is traditionally available through the business practice manual change process.

Conclusion

Seattle thanks CAISO for the opportunity to provide these comments and looks forward to reviewing the next iteration of its proposal. If you have any questions about these comments, please contact Josh Walter at josh.walter@seattle.gov or 206-684-3654.