



Stakeholder Comments Template

Day-Ahead Market Enhancements Phase 1 Initiative

This template has been created for submission of stakeholder comments on the third revised straw proposal that was published on February 28, 2019. The proposal, Stakeholder meeting presentation, and other information related to this initiative may be found on the initiative webpage at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/Day-AheadMarketEnhancements.aspx>

Upon completion of this template, please submit it to initiativecomments@caiso.com. Submissions are requested by close of business on March 21, 2019.

Submitted by	Organization	Date Submitted
<i>Mike Evans 858-526-2103</i>	<i>Shell Energy</i>	<i>March 22, 2019</i>

Please provide your organization's comments on the following issues and questions.

1. Fifteen-Minute Granularity Design Features

Please provide your organization's feedback on the fifteen-minute scheduling granularity features topic as described in section 2 of the proposal. Please explain your rationale and include examples if applicable.

Please provide your organization's position on the fifteen-minute scheduling granularity features topic as described in section 2 of the proposal. (Please indicate Support, Support with caveats, Oppose, or Oppose with caveats)

Support with caveats: Shell Energy supports 15-minute scheduling granularity in the DA Market provided that market participants retain the ability to submit hourly-block schedules on interties, as is reflected in the current proposal. Shell Energy urges the ISO to allow market participants to submit and update sub-hourly 15-minute bids in real time. That is, to allow for the market to submit and update 15-minute bids beyond the 75-minute deadline, at 37.5 minutes prior to the next FMM interval.

Furthermore, we strongly urge the ISO to work with other BAAs, WECC and OATI to enable sub-hourly transmission procurement and redirecting, 15-minute transmission scheduling, and software vendor automation for e-tag creation and adjustment, as this will require considerably more tagging work. WECC standards will be necessary for all market participants to procure and schedule transmission in 15-minute intervals. Both WECC and OATI should be involved from the onset of this type of effort as these changes will significantly impact transmission scheduling and energy tagging systems.

The ISO states 15-minute granularity in the DA market will unlock extra capacity to the ISO to help with worsening ISO ramp challenges. This could be an incorrect presumption as market participants with long-term firm might not be advantaged importing a sub-hourly profile when they can schedule entire hourly blocks and utilize the entirety of transmission capacity and minimize stranded costs.

The ISO proposes to restrict the ability of market participants to bid/schedule hourly in the DA but not bid 15-minute in the RT. We encourage the ISO to allow market participants to provide the greater flexibility that the ISO needs with increasing VERs. We request the ISO to reconsider its proposal to require DA and RT to be the same, either hourly block or 15-minute.

As the ISO considers how to progress on this issue, we offer several general observations:

- It seems to be a heavy lift to move to DA 15-minute bidding and scheduling when it is unlikely that load and renewables have data sufficiently granular to accurately bid day ahead in 15-minute increments. It might be worth considering that instead of full 15-minute DA scheduling, that the ISO simply procure more regulation during the morning and afternoon solar ramps.
- As the ISO continues to depend on imports to meet its large daily ramps, new market designs and rules should not inhibit energy supplies on the interties.
- It may be problematic and limit availability of ancillary services when the ISO restricts imported AS to require 15-minute bidding.

Optional: Include additional subtopics or specific questions on this topic as needed

The ISO fails to address how these changes would affect HVDC paths 65 (PDCI) and path 27 (IPP – ADL) which are required to have hourly values for transmission and energy profiles per BPAT and LDWP. The fact this is not discussed is problematic. Shell Energy requests specific examples of ISO proposed changes and the impacts to paths which do not support sub-hourly profiles.

2. Fifteen-Minute Granularity Impacts to the Energy Imbalance Market

Please provide your organization's feedback on the Fifteen-Minute Granularity Impacts to the Energy Imbalance Market topic as described in section 3 of the proposal. Please explain your rationale and include examples if applicable.

No Comment.

Please provide your organization's position on the Fifteen-Minute Granularity Impacts to the Energy Imbalance Market topic as described in section 3 of the proposal. (Please indicate Support, Support with caveats, Oppose, or Oppose with caveats)

No Comment.

3. Energy Imbalance Market Governing Body Role

Please provide your organization's feedback on the EIM Governing Body Role as described in section 4 of the proposal. Please explain your rationale and include examples if applicable.

No Comment.

Please provide your organization's position on the EIM Governing Body Role as described in section 4 of the proposal. (Please indicate Support, Support with caveats, Oppose, or Oppose with caveats)

No Comment.

Additional comments

Please offer any other feedback your organization would like to provide on the Day-Ahead Market Enhancements Phase 1 initiative third revised straw proposal.