



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>Bonnie Blair 202-585-6905</i>	<i>Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California ("Six Cities")</i>	<i>March 21, 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.

Six Cities' Comments: The Six Cities previously have expressed conceptual support for the ISO's proposal to adopt 15-minute granularity for the Day-Ahead Market with the objective of more closely aligning Day-Ahead unit commitments and schedules with Fifteen-Minute Market schedules. Discussion at the March 7, 2019 stakeholder meeting, however, highlighted the expansive scope of the design changes included in this initiative as it has evolved and the potentially significant implementation challenges. The Six Cities therefore urge the ISO to take steps now to verify the feasibility of the proposed Fifteen-Minute DAM design and to conduct at least a high level cost/benefit analysis to evaluate whether the proposed combination of hourly unit commitment and fifteen-minute scheduling in the DAM is likely to produce benefits that exceed the costs of implementation. In addition, an implementation plan for a Fifteen-Minute DAM design should include opportunities for testing and market simulations

commensurate with the scope of the proposed design changes, adequate to identify unintended consequences, and sufficient to resolve, with a high level of confidence, any implementation challenges prior to applying the modified design in binding market runs.

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)

Six Cities' Position: At this time, the Six Cities neither support nor oppose pending the outcome of the study processes recommended above.

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

Six Cities' Comments: In their September 18, 2018 Comments on the Second Revised Straw Proposal in this initiative, the Six Cities raised a question concerning the ISO's proposal to limit procurement of Ancillary Services from intertie resources to ones that can be scheduled on a 15-minute basis. Specifically, the Six Cities requested that the ISO provide an estimate of the potential cost impacts on AS procurement of adopting the proposed limitation on eligible AS resources at the interties. The Six Cities reiterate that request for an impact estimate, as understanding the anticipated impact of that aspect of the ISO's proposal is an essential input for the Cities' evaluation of that element of the proposed design.

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.

Six Cities' Response: The Six Cities have no comments on this topic at this time.

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)

Six Cities' Response: The Six Cities have no position on this topic at this time.

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

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.

Six Cities' Response: The Six Cities have no comments on this topic at this time.

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)

Six Cities' Response: The Six Cities have no position on this topic at this time.

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.

Six Cities' Response: The Six Cities have no additional comments on the Phase 1 proposal at this time.