

Payment Acceleration
Stakeholder Comments Summary - Final Proposal

Client	Statement Timeline	Meter Data Substitution	Interest	Invoicing	Deployment Plan
Calpine	Full Support	Full Support	Will support in order for PA to move forward.	Full Support	Challenge the CAISO staff with two more tasks. First, implement the project at the earliest possible opportunity after Go Live. The benefits of the project will only be realized with implementation. The CAISO should not be persuaded to delay implementation until some subjective sense of "system stability" is attained. Indeed, as a separate and distinct process, the frequency of invoicing and cash clearing can be advanced as other processes are refined. Secondly, once an implementation plan is finalized, we ask that the staff move forward with a plan to meet the CAISO, FERC, and Calpine objective of weekly settlements.
JP Morgan	J.P. Morgan supports the CAISO's Final Settlement Timeline recommendation. J.P. Morgan believes the recommendation meets the objective of Payment Acceleration and is a reasonable next step towards the CAISO's long-term objective of weekly invoicing.	In order to support the CAISO's recommended T+7B proposal, J.P. Morgan supports the CAISO's proposed requirement to submit estimated meter data at T+5B and, at least with respect to generation, the CAISO's proposed approach for estimating meter data. (J.P. Morgan does not take a position on the CAISO's proposed load estimation proposal).	J.P. Morgan is concerned that the application of interest may unnecessarily complicate or delay implementation of Payment Acceleration. While J.P. Morgan understands that the application of interest is not necessarily a technical implementation issue, J.P. Morgan is concerned that application of interest will be a contentious policy issue at FERC and may complicate final approval of the proposal. Supports revisiting this issue at some future date after implementation of Payment Acceleration and if the CAISO experiences systematic and consistent meter data estimation problems.	J.P. Morgan supports the CAISO's final recommendation to implement a semi-monthly invoicing process wherein initial invoices are issued semi-monthly (the first invoice for the 1st-15th billing period, the second invoice for the 16th - 31st billing period) and where true-up invoices are issued monthly and included on one of the semi-monthly invoices and payment of all invoices is due within five (5) business days.	While J.P. Morgan would prefer that the CAISO implement Payment Acceleration concurrent with the implementation of MRTU or very soon thereafter, J.P. Morgan understands the CAISO's implementation constraints and supports an implementation schedule of 2-5 months post MRTU go-live. In addition, J.P. Morgan urges the CAISO to adopt and commit to a date-certain implementation of weekly invoicing.

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NCPA	Supports timeline in proposa. Recommends all compliance related settlement charge codes that are dependent on SQMD be removed. As an alternative, recommends all compliance related settlement charges codes that are dependent on SQMD be initially settled within the first true-up settlement statement rather than be included within the initial settlement statement.				
PG&E	With exception of 2nd ture-up, agrees with proposal. Proposes a T+59 timeline for 2nd true-up. This would give 9 days for SC review from T+38 plus 9 days for CAISO review plus 3 freeze days	The final proposal deployment schedule does not specify when estimated meter data will start being submitted. We would like a clarification of the market simulation and implementation in regards to submission of estimated data and how (and when) will this data be related back to the first payment acceleration related statements	PG&E supports the payment of interest between deviations in the initial and first true-up invoices. However, depending on the invoicing structure this would have to be applied consistently. PG&E supports applying interest to subsequent true-ups but only if consideration is given to a dollar threshold to merit such an exercise. There otherwise exists the potential for the inefficient use of human resources being allocated to reconcile and track immaterial amounts of interest. PG&E would also support the use of a Commercial Paper rate and not a FERC Interest rate because the CP rate is more in line with what it costs a company on a daily basis to finance its short term working capital needs.	PG&E is very concerned about creating an invoicing solution which increases either the number of invoices or the number of days when invoices are actually received in a given trade month to an to unreasonable and unmanageable level. Consequently, PG&E does not support a weekly frequency for either initial or true-up invoicing. PG&E feels that the CAISO 11-3-08 straw proposal for Payment Acceleration presents a better solution from an invoicing perspective. This proposal minimizes the number of invoice dates to 2 per month and includes all initial and true-up statements published at that point. This is similar to how it's done today when a prior period adjustment is included in a current invoice	PG&E has stated consistently in its stakeholder comments that a minimum of 6 months after MRTU go-live should be required before payment acceleration begins. CAISO should establish exit criteria to gauge readiness.

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SCE	SCE supports all but one of the CAISO's proposed settlement timelines, which is the 2nd True-up settlement timeline - recommends T+60B.	SCE strongly supports the CAISO's revised proposal to require SC's to submit estimated settlement quality meter data that reasonable represents the load and generation they serve by T+5B. However, does not support estimation and prefers actual historical SQMD.	SCE position from the start of payment acceleration has been that interest should be applied to the first and all subsequent true-ups for a given settlement month. SCE's position remains the same and requests that the CAISO calculate interest on all true-ups not just the 1st and 2nd.	SCE prefers the CAISO's bi-monthly invoicing cycle to include multiple invoices (one type of settlement per invoice) to distinguish the different types of settlements (e.g. Initial, 1st true-up, 2nd true-ups, etc.) for validating and auditing purposes. However, SCE believes that the CAISO's proposal of generating one invoice per bi-monthly cycle, with all types of settlements categorized onto one invoice, is acceptable.	SCE strongly believes that accuracy and quality settlement results are crucial to the success of the Payment Acceleration implementation. Therefore, SCE opposes the CAISO's deployment schedule of publishing 1 month of MRTU's invoice. SCE urges the CAISO to demonstrate 3 months minimum of accurate and stable MRTU settlement invoices to stakeholders before they implement the project, which could be 6 months or beyond the MRTU go-live date. Evaluation for accuracy and stability can be determined by the volume and types of disputes submitted by the market participants.
SDG&E					Although San Diego Gas & Electric Company will not oppose other components of the CAISO's final proposal for payment acceleration under MRTU, major concerns still need to be addressed regarding the Deployment Schedule loosely described on page 16 of the proposal. It should not be assumed that the payment acceleration process will be implemented on the proposed expedited deployment schedule without unexpected problems resulting in potentially significant monetary impacts on market participants.
Six Cities	Supports Proposal, but would like to see the second true up accelerated.	The Cities request further explanation regarding the following statement in the fourth paragraph on page 13 of the Final Proposal: "In addition, monitoring measures currently in place for under scheduled Load penalty will be leveraged at T+38B to determine impact of unscheduled Demand that remains un-submitted at T+5B."	Supports Proposal	Supports Proposal - but would prefer not to include multiple months data on a single invoice.	

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WAPA	Supports Proposal	Supports Proposal	Supports Proposal	Supports Proposal	
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