



## Stakeholder Comments Template

### Day-Ahead Market Enhancements (DAME) Initiative

This template has been created for submission of stakeholder comments on the revised straw proposal that was published on June 8, 2020. Materials related to this initiative can be found on the ISO website at: <http://www.caiso.com/StakeholderProcesses/Day-ahead-market-enhancements>.

Upon completion of this template, please submit it to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com). Submissions are requested by close of business on July 6, 2020.

Submitted by	Organization	Date Submitted
<i>Jim Shetler, General Manager (916) 870-3774</i>	<i>Balancing Authority of Northern California</i>	<i>July 13, 2020</i>

**Please provide your organization's overall position on the DAME revised straw proposal:**

- Support
- Support w/ caveats
- Oppose
- Oppose w/ caveats

**Please provide written comments on each of the revised straw proposal topics listed below:**

**1. Updated market formulation: Please see Item 5, below**

**2. Accounting for energy offer cost in upward capacity procurement: Please see Item 5, below**

- 3. Variable energy resources: Please see Item 5, below.**
  
- 4. Market power mitigation for reliability capacity and imbalance reserves: Please see Item 5, below.**
  
- 5. Please include additional comments including considerations for other possible solutions or concerns to any of the above topics:**

*The Balancing Authority of Northern California (BANC) provides the following comments on the CAISO's Day Ahead Market Enhancements (DAME) Revised Straw Proposal, dated June 8, 2020 (Revised Straw Proposal). BANC is an EIM Entity and the first BANC Member, the Sacramento Municipal Utility District, began EIM participation in April 2019. BANC is currently in the implementation process to allow three other BANC Members, the Cities of Redding and Roseville and the Modesto Irrigation District, along with the Western Area Power Administration – Sierra Nevada Region, to commence EIM participation in Spring 2021. BANC members also participate in the CAISO's Day Ahead Markets, and BANC is examining possible participation in any market launched by the Extended Day Ahead Market (EDAM) initiative.*

*BANC believes the Revised Straw Proposal is an improvement over the last proposal, mainly because it removes the two LMP structure which created pricing uncertainty. The primary point that BANC would like to emphasize is that, while the CAISO should be cognizant of EDAM, DAME needs to stand on its own. The primary driver of DAME should be to address issues raised with how the CAISO commits and compensates units in its Day Ahead Market to ensure a reliable, efficient, and cost-effective outcome. The EDAM initiative is in its relative infancy, and EDAM should not drive DAME. It is appropriate to consider how the Day Ahead Market design might interact with any EDAM design of the future, but it should not drive the decisions. There will be time in the future to address issues raised in the EDAM stakeholder process and consider whether changes need to be made to accommodate an EDAM.*