



## Stakeholder Comments Template

### System Market Power Mitigation

This template has been created for submission of stakeholder comments on the Straw Proposal for the System Market Power Mitigation. The paper, stakeholder meeting presentation, and all information related to this initiative is located on the [initiative webpage](#).

Upon completion of this template, please submit it to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com). Submissions are requested by close of business **January 10, 2019**.

Submitted by	Organization	Date Submitted
<i>Camille Christen</i>	<i>Idaho Power Company</i>	<i>1/10/2020</i>

**Please provide your organization's general comments on the following issues and answers to specific requests.**

#### 1. Background and scope

Please provide your organization's feedback on background and scope of this initiative, as described within the straw proposal. Please explain your rationale and include examples if applicable.

*No comment.*

#### 2. Phased approach

Please provide your organization's specific feedback on the proposed phased approach, as described within the straw proposal. Please explain your rationale and include examples if applicable.

*No comment.*

#### 3. Applying import-constrained trigger

Please provide your organization's specific feedback on reasonable ways to identify when the CAISO should consider itself import-constrained. Please explain your rationale and include examples if applicable.

*No comment.*

#### 4. Pivotal Supplier Test

Please provide your organization's feedback on the proposal to apply the Pivotal Supplier Test, as described within the straw proposal. Please explain your rationale and include examples if applicable.

*No comment.*

**5. Applying mitigation to internal supply offers**

Please provide your organization's feedback on the proposal to mitigate supply offers within the CAISO balancing authority, as described within the straw proposal. Please explain your rationale and include examples if applicable.

No comment.

**6. Determining competitive LMP**

Please provide your organization's feedback on the proposal to determine the competitive Locational Marginal Price (LMP) when the CAISO mitigates its balancing area, as described within the straw proposal. Please explain your rationale and include examples if applicable.

CAISO staff has explained that in situations where the CAISO Balancing Authority Area (BAA) is found uncompetitive and mitigation applies, no competitive Locational Marginal Price (LMP) will be calculated. Thus, no competitive LMP will be available for use in Local Market Power Mitigation processes for Energy Imbalance Market (EIM) Entity BAAs.

As a result, CAISO staff has proposed that if mitigation is triggered in an EIM Entity BAA, and the CAISO BAA is also found uncompetitive in the same interval, then the supply offers in the mitigated EIM Entity BAAs will be mitigated to the Default Energy Bids (DEB), rather than the maximum of the DEB and the competitive LMP. In the stakeholder call on December 16, CAISO staff clarified that in that case, the EIM Entity BAAs would continue to be mitigated to the DEB if the supply offer was greater than the DEB.

Idaho Power agrees with the stakeholders on the December 16 call that CAISO should further explore finding an alternative to the competitive LMP, rather than simply removing it from the equation. CAISO should further consider, and provide more detail on, stakeholders' suggestions, including using as a floor the cost of the marginal resource or the cost of out-of-market actions for system reliability reasons. CAISO should also further consider, and provide more detail on, the suggestion to use other competitive EIM Entity BAA's LMPs as a proxy for the competitive LMP.

Finally, it seems that if the competitive LMP is removed from the equation, the reference level adjustment process may become more impactful. Idaho Power requests that CAISO consider the ramifications of this and provide its thoughts and analysis.

Idaho Power thanks CAISO for its consideration of these comments.

**7. Additional comments**

Please offer any other feedback your organization would like to provide from the straw proposal and topics discussed during the web meeting.

None.