



2023 Budget and Grid Management Charge Process Initial Stakeholder Meeting Comment Template

Conference call meeting held on July 25, 2022. Supporting meeting documents are available here, <https://stakeholdercenter.caiso.com/RecurringStakeholderProcesses/Budget-and-grid-management-charge-process-2023>.

Submitted by	Company	Date Submitted
Name: Sean Neal [smn@dwgp.com] Company: Duncan, Weinberg, Genzer & Pembroke, P.C.	Comments submitted on behalf of Modesto Irrigation District (MID) and City of Santa Clara, California doing business as Silicon Valley Power (SVP)	8/1/2022

<https://stakeholdercenterpub.oa.caiso.com/CommentResponses/Index/babc1db2-86e0-4411-9c59-82c4214a6181>

1. Provide your organization's general comments on the July 25, 2022 stakeholder call discussion for the 2023 Budget and Grid Management Process:

The Modesto Irrigation District (MID) and the City of Santa Clara, California doing business as Silicon Valley Power (SVP) thank the California Independent System Operator Corporation (CAISO) for the opportunity to submit comments in this stakeholder proceeding. MID and SVP appreciate the CAISO answering their questions during the July 25, 2022 stakeholder meeting and request that the CAISO answer MID's and SVP's additional questions provided below. MID and SVP reserve the right to take any position in connection with the CAISO 2023 Budget and Grid Management Charge (GMC) as this stakeholder process continues.

2. Please submit comments / questions along with any supplemental attachments.

Regarding CAISO's 2023-2024 Preliminary Project Listing:

- Please describe the “Advisory-interval data for storage resources” project and how it will relate to CAISO’s Energy Storage Enhancements and Price Formation initiatives.
 - This initiative will create operational tools and data connections to support analyzing how storage resources are dispatched in the market and out of merit dispatches to support the growing storage resources. This initiative is not directly related to the Energy Storage Enhancements and Price Formation initiatives.
- Please describe the “backup tie line data” project.
 - This initiative will upgrade the Backup Tie Line data infrastructure and User Interface to support ongoing operational needs to maintain the CAISO balancing authority ACE backup.
- Please describe the “day ahead reliability tool enhancements” and how this project will, if at all, tie into the day ahead market enhancements and potentially into the extended day ahead market initiative.
 - The day ahead reliability tool is an internal analysis tool used by Operations. The requested enhancements will increase the usability and analysis capabilities for Operations. This tool is not related to the Day Ahead Market Enhancements or Extended Day Ahead Market Initiatives.
- Please describe what the energy management systems improvements will include.
 - This project identifies and priorities small changes or fixes in the EMS existing software application by various departments in the CAISO. Each request is documented and approved before proceeding with any change
- Please explain what is included in “facilities reserve funding”.
 - This is a project that has an annual amount determined by the CMC to be set aside (reserved) to be able to repair or replace any item that might need to be done to the CAISO facilities and equipment to run the building. This is a way to be prepared for future large costs as the building and equipment age. This is for both Folsom and Lincoln buildings.

- Please describe the Generator contingency and remedial action model (GCARM) remedial action schemes (RAS) enhancements.
 - This initiative will evaluate and where possible implement market software enhancements to model complex RAS attributes in the software for congestion management.
- Please explain what is included in “initialization funding for capital projects”.
 - Annual fund that is managed by the Enterprise Program Management Office to start new projects for completing impact assessment and business requirements in order to determine the cost of a project. Following standard software development life cycle (SDLC) that we use at the CAISO.
- Please describe what is included in the SharePoint and project server 2019 upgrade.
 - SharePoint and project server are both Microsoft products that the CAISO have currently been running on a 2013 version, this project is to upgrade to the 2019 version.
- Please describe what is included in the Washington cap-and-invest program - WEIM implication project.
 - This initiative will make changes to support WEIM reporting for the Washington state cap-and-invest program targeted to begin in January 2023. This program is similar to CARB’s cap-and-trade program in that it requires entities to purchase and hold allowances/credits for the GHG emissions arising from in-state electricity generation and imports into Washington.
- Please explain whether there are major enhancements contemplated in Reliability coordinator enhancements project.
 - The specific scope for the Reliability Coordinator enhancements project will not be finalized until late 2022 or early 2023. However, in general the enhancement initiatives are not expected to include major functionality changes but rather a number of smaller enhancements.

Regarding the CAISO’s list of Projects Completed July 2021 through June 2022:

- Following up on the question asked during the July 25, 2022 call, please explain the Topology State Estimator project (Capital ID # 12440).

- Topology State Estimator (TE) is a new concept that corrects the topology to have correct switches and breakers so state estimator (SE) can use the right topology instead of assuming the topology is perfect. SE only correct analog points. TE will allow SE to converge more often and improve the quality of solution for SE. First phase testing the solution and quality of solution this new application is providing. Second phase is additional refining application.
- Please explain the Joint Owned Units Pilot (Capital ID # 12473).
 - The Joint Owned Unit (JOU) project is the first of two planned projects created to address the joint owned unit ownership challenges. This project will define and implement a non-MSG model to support two joint owned units for the Public New Mexico (PNM) and Tucson Electric Power (TEP) EIM entities

Regarding CAISO's Active Projects as of June 2022 listing:

- Please explain whether the projects with no budget expenditure to date still slated to be completed by the end of 2022 (*i.e.*, Topology State Estimator Phase 2, MSA Phase 2, EMS Systems Improvement).
 - As with any approved project at the CAISO, the approved funding does not go away at the end of a year. The projects that you indicated have just been approved in June, or have a contract that has not had any milestones billed as of the end of June. We would like these projects to be completed, but some of that is dependent on vendor and delivery and testing of software changes.
- Please describe the Settlement Upgrade project (Capital ID # 12262).
 - Please reference the supporting memo provided for the December 16-17, 2021 Board of Governors' meeting; the Settlement Upgrade project was funded and approved at that time. Project information was provided in the memo.
- Please explain what is involved in the Credit Tracking System Upgrade (Capital ID # 12252)
 - The Credit Tracking System (CTS) was built 12 years ago; this upgrade project relates to the CAISO Information Security and Architecture standards supporting future security vulnerability patches for the application stack components and enhance overall robustness of the CTS system interaction with market systems (SIBR/IFM/RTM) and Market Clearing system.

- Please explain what is involved in Operation System Improvements (Capital ID # 21477).
 - This project identifies and priorities small changes or fixes or out of warranty issues in existing software applications by various departments in the CAISO. Each request is documented and approved before proceeding with any change.
- Please explain what is involved in the Facilities Replacement Reserve (Capital ID # 12512).
 - See above comment as this on-going project, so it will show on the active listing and the future funding list. The use of the reserve is controlled by the CMC, which means any request to use any of these funds must be documented and approved before allocating any funding.
- Please describe the difference between “system improvements” and “hardware and software purchases”.
 - System improvements is for changes to customized CAISO software applications that are small changes or fixes that don’t qualify as a stand-alone project. Hardware and software purchases refers to all non-project hardware purchases and refreshes, network equipment, storage needs for the corporation, and third party software licenses purchases and subscription that the CAISO may need to perform functions.