

**PUGET SOUND ENERGY COMMENTS**  
**DAY-AHEAD MARKET ENHANCEMENTS, PHASE 1**  
**SEPTEMBER 18, 2018**

Puget Sound Energy (PSE) appreciates the opportunity to provide the following comments on the California Independent System Operator's (CAISO) Day Ahead Market Enhancements Phase 1: Fifteen-Minute Granularity (Second Revised Straw Proposal). PSE generally supports CAISO's proposal to introduce 15-minute granularity to the day-ahead market and the corresponding enhancements in the Energy Imbalance Market (EIM). PSE believes these enhancements will improve grid reliability and the efficiency of the day-ahead market (DAM). Below please find comments on the second revised straw proposal.

**COMMENTS**

1. In Section 2.2 of the Second Revised Straw Proposal, CAISO proposes changing the bid submission deadline from 10:00 am to 9:00 am to allow for additional processing time of the increased number of bids that will result from moving to 15-minute bidding. This change has the potential to impact PSE and other EIM Entities in the future if the DAM is expanded, and is significant because it reduces the time that market participants have to strategize, trade, and prepare bids, yet quadruples the number of bids that must be submitted. PSE recognizes that the additional volume of bids also affects CAISO's processing time, and requests that CAISO take every action possible to minimize the amount of time that the bid submission deadline must be moved up.
2. In Section 3.1 of the Second Revised Straw Proposal, CAISO indicates that changes to the flexible ramping sufficiency test can be implemented with the need for 15-minute base schedules, and therefore may occur through changes to the corresponding section of the Business Practice Manual prior to the implementation of phase 1 of the day-ahead market enhancements. PSE believes that this change should occur as soon as possible so that EIM Entity transfers are not frozen for the entire hour when an entity only fails one interval of the test. This change will result in additional opportunities for individual EIM Entities, and greater efficiency for the market as a whole. PSE requests that CAISO provide a date when this modification will occur.