



CCDEBE Tariff Revisions Enhancements Resubmittal – 2020

Section	Stakeholder Name	Comment	CAISO Response
30.4.4.4	Six Cities	In the CAISO's filing with the FERC in Docket No. ER19-2727, the reference in the last line of this section was to Section 30.4.5.3. Section 30.4.5.3 appears to be the correct reference, as opposed to the reference in the current revised draft.	Six Cities is correct that the cross reference in Section 30.4.4.4 is incorrect. It should be to Section 30.4.5.3.2. The CAISO will correct this error.
30.4.5.1	Six Cities	Language similar to that deleted from Section 30.4.5.1(b)(iv) remains in Sections 30.4.5.1(c)(v), 30.4.5.2(b)(iii), and 30.4.5.2(c)(v). It is not clear why there should be differences among these sections with respect to the language relating to major maintenance adders.	Six Cities has correctly identified an inconsistency. The references to the maintenance major adders in the subsections of 30.4.5.1 should be consistent. Subpart (e) of 30.4.5.1 and 30.2.5.2 now address the inclusion of the major maintenance adders. Therefore the reference to the major maintenance adders in subparts (c)(v) of these same sections should be removed.
30.4.5.2	Six Cities	In the second line, delete "under the Proxy Cost" for improved clarity.	Agreed.
30.4.5.2	Six Cities	In the first line of sub-section (c)(ii), delete "registered" for improved clarity.	Agreed.
30.4.5.4.2	Six Cities	Consistent with the filing in Docket No. ER19-2727 and with other sections in the revised draft, delete all ten (10) references to "or Independent Entity."	Although the CAISO contemplated making these clean up changes in this filing, it is now proposing to no longer make these changes here for two reasons. First, the clean up changes are not related to the scope of CCDEBE. Second, the CAISO believes that these types of changes should be done uniformly throughout the tariff and therefore should be conducted through tariff clarification filing. The CAISO will make these clean up changes in an upcoming tariff



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			clarification filing.
CAISO Market Processes	Six Cities	The Six Cities have observed that the revised draft tariff language reverses numerous changes included in the filing in Docket No. ER19-2727 spelling out various acronyms. In general, the Six Cities do not object to such reversals. However, the definition of “CAISO Market Processes” included in the ER19-2727 filing is much more informative than a mere listing of the acronyms, and the Six Cities recommend use of the version of the definition submitted with the ER19-2727 filing.	See note above regarding tariff clarification changes.
General	DMM	DMM understands that in its revised CCDEBE filing the ISO will seek to provide justification for including the 10% adder in reference level requests “based on the potential variability in costs between when a supplier submits its estimated gas costs in its reference level change request and when it actually purchases gas.” However, to the extent that the ISO’s analysis may not support the 10% adder on this basis, DMM suggests that the ISO may need to seek to justify the 10% adder largely or primarily as an adder that ensures a profit above marginal energy and commitment costs, while still providing a reasonable level of protection against market power and distortion of overall market clearing prices.	The CAISO will discuss its support for the 10 percent adder with DMM and all market participants at the February 27 stakeholder meeting.
30.7.10.1(c)	Six Cities	In the next to last line, insert “Minimum” after “applicable” for improved clarity and consistency.	Agreed.
30.11.2.1	Six Cities	With respect to the highlighted language added in the last sentence, although the CAISO’s deficiency letter response in Docket No. ER19-2727 proposed to add such language on compliance if so directed by FERC, there has been no such direction by FERC. FERC’s January 21, 2020 Order in Docket No. ER19-2727 expressly did not address “other issues raised in the comments” with respect to the CCDEBE proposal,	Although the issue of penalties was discussed in the FERC proceeding, the CAISO had not proposed any specific tariff language previously regarding penalties because it had intended to keep these business practice details in its business practice manuals. As noted in its response to the deficiency letter in



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		including the Six Cities' protest of CAISO's proposal to disallow recovery of gas imbalance costs under any and all circumstances. 170 FERC ¶ 61,015 at P.39, n.45.	docket ER19-2727 on pp. 9-10, the CAISO indicated its intent to modify its previously proposed practice and will no longer allow participants to submit reference level change requests to cover penalty costs. This decision is based on the data provided by DMM that demonstrates that the fuel indices adequately cover these costs. The CAISO proposes to include this detail in this tariff filing to avoid any ambiguity.
30.11.2.1	DMM	<p>30.11.2.1 Applicability A Scheduling Coordinator may submit a Reference Level Change Request for Default StartUp Bids, Default Minimum Load Bids, and Default Energy Bids, as applicable <u>Scheduling Coordinators may not submit Reference Level Change Requests to recover costs associated with gas company imbalance penalties.</u>⁶ [emphasis in original]</p> <p>Given that the ISO now has the opportunity to resubmit modified tariff language to the Commission, DMM suggests that the ISO include the underlined language above directly in its revised CCDEBE tariff filing.</p>	The CAISO is proposing to add this language. See note above.
30.11.3.1	DMM	<p>The ISO is now proposing to include this “clarifying change” when resubmitting CCDEBE tariff changes so that the proposed section 30.11.3.1 would be as follows:</p> <p>The Scheduling Coordinator shall not submit a Reference Level Change Request for the purpose of inflating its Default Energy Bids or Default Commitment Cost Bids beyond what these values would be if calculated based on</p>	<p>The CAISO proposes to modify this to say:</p> <p>The Scheduling Coordinator shall not submit a Reference Level Change Request for Default Energy Bids or Default Commitment Cost Bids beyond what these values would be if calculated based on its actual or expected costs.</p>



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		<p>its actual or expected costs.</p> <p>DMM still finds the proposed section 30.11.3.1 unclear and suggests that the ISO develop tariff language that is more descriptive and less ambiguous. DMM recommends that the ISO redraft this key tariff section to more directly include and reflect the specifics of the clarifying example provided in the ISO's response to the deficiency letter.</p> <p>Also, DMM notes that the phrase "for the purpose of inflating its Default Energy Bids or Default Commitment Cost Bids" suggests that compliance with this provision hinges on the suppliers "intent" to "inflate" these bid caps. This suggests that section 30.11.3.1 might be viewed as a subjective behavioral market rule rather than a clear limit on reference level bids.</p>	
30.12.1	Six Cities	<p>With respect to the highlighted language added in the last sentence, although the CAISO's deficiency letter response in Docket No. ER19-2727 proposed to add such language on compliance if so directed by FERC, there has been no such direction by FERC. FERC's January 21, 2020 Order in Docket No. ER19-2727 expressly did not address "other issues raised in the comments" with respect to the CCDEBE proposal, including the Six Cities' protest of CAISO's proposal to disallow recovery of gas imbalance costs under any and all circumstances. 170 FERC ¶ 61,015 at P.39, n.45.</p>	<p>It has always been the CAISO's intended practice to not allow entities to recover penalty costs in the after-the-fact recovery process as noted in its response to the deficiency letter in docket ER19-2727 on pages 6-7. The CAISO now proposes to include this detail in the tariff to avoid any ambiguity.</p>
30.4.5.4.3	Six Cities	Delete "or Independent Entity" from the first line	See note above regarding tariff clarification changes.
30.4.5.4.4	Six Cities	Delete all three (3) references to "or Independent Entity."	See note above regarding tariff clarification changes.