

Stakeholder Comments Template

Subject: Day-Ahead Market Enhancements

| Submitted by | Company | Date Submitted |
|---------------------------------|--|------------------|
| <i>Tong Wu 916-353-4016</i> | <i>Western Area Power Administration Serra Nevada Region</i> | <i>4/30/2018</i> |

Western Area Power Administration (WAPA) is a federal agency responsible for marketing hydropower generated by the federal Central Valley Project (CVP) to meet its statutory responsibilities to serve project-use energy pumping requirements and market available hydropower generation under its Power Marketing Plan to preference power allottees. In northern California, WAPA serves load in both the Balancing Authority of Northern California and the ISO. WAPA delivers its generation from many large and small hydro facilities of the CVP to its loads. WAPA owns, operates and maintains an extensive high voltage transmission network extending to the load center of Northern California.

WAPA appreciates the opportunity to provide comments on the ISO's Revised Proposal on Day Ahead Market Enhancements. WAPA supports the ISO's proposed 15-minute Day-Ahead scheduling granularity to address the ramping challenges faced by the ISO. As part of the next revision and upcoming stakeholder processes, WAPA requests the ISO address the following questions and comments:

1. WAPA supports the ISO move to fifteen-minute scheduling granularity, and the bid submission remain hourly for both the day-ahead and real-time markets. WAPA understands why the ISO proposes to allow bid-in load and variable energy resources to shape their economic bids based upon the relative forecast by 15-minute upper economic limits. WAPA would like to request that the ISO allow intertie bids to submit 15-minute upper economic limits for similar reasons. WAPA delivers CVP hydro power to meet its load in the ISO through imports. In order to meet WAPA's load in the ISO in 15-minute intervals, the CVP generation import to the ISO also needs to be in 15-minute intervals. Although CVP hydro generation cannot be dispatched by the ISO due to water delivery and environmental restrictions, it is perceivable that CVP hydro generation can voluntarily provide ramping energy in 15-minute intervals using 15-minute upper economic limits.
2. WAPA would like to request the ISO clarify how existing transmission rights (ETC) and transmission ownership rights (TOR) will be handled. Under the current market rules, the sink and source of the ETC/TOR schedules must be balanced on hourly basis. Under

the 15-minute DA market, are the ETC/TOR bids always expected to be hourly block self-schedules? Are the DA market awards of ETC/TOR self-schedules always hourly block awards? WAPA would like to request that the ISO design the market rules and systems so that ETC/TOR rights are fully honored.