

Western Power Trading Forum Comments on DOT Draft Tariff Language
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Background

In 2017, the ISO proposed Business Practice Manual (BPM) changes that would create a unique set of rules for Eligible Intermittent Resources around when they must follow their Dispatch Operating Target (DOT).¹ At the conclusion of that effort, the ISO committed to provide additional transparency in support of their proposal and stated they would open a stakeholder initiative. Instead of holding a stakeholder meeting, the CAISO has posted tariff language that includes the changes they wanted to make in the BPM as well as other changes related to the definition itself of the DOT and dispatch operating point (DOP), and the term “Operating Instructions.”

Comments

WPTF does not support this tariff filing. The CAISO tried to make somewhat similar changes in the BPM beginning in August 2017 through PRR 1004. WPTF and other stakeholders noted that the proposed changes conflicted with the tariff, were not trivial, and therefore deserved full vetting from stakeholders. At that time and as recently as February 20, 2018 the CAISO agreed to hold a stakeholder process on these policy changes.² Nevertheless, rather drafting a straw proposal, holding a policy meeting, and engaging with stakeholders, the CAISO instead has gone straight to tariff language and asked for comments on the tariff changes prior to explaining the reasoning behind these changes. Furthermore, according to the schedule in the posted presentation, there will be no additional opportunity for comments after the call. The schedule states the call will be held April 13 and the tariff will be filed May 9 – it is unclear whether these tariff changes will go to the CAISO Board for approval given this schedule.

It is inappropriate for the CAISO to expect stakeholder to provide comments on tariff language that makes significant policy changes that has not been vetted in a stakeholder forum. As noted in WPTF’s August 22 PRR 1004 comments³, these changes are not inconsequential to operators and owners of wind and solar resources as there is a significant chance that some resources will be unable to comply with Operator Instructions in the needed timeframe. Moreover, the proposed tariff changes as written could be considered discriminatory toward wind and solar resources. And yet, no explanation has been offered by the CAISO about the need or reasoning behind the changes, nor the tariff changes impact to the market.

WPTF’s organizational objective is to promote efficient market outcomes and transparency, and there is no way we can determine if the tariff changes support those goals without additional explanation from the CAISO. In conclusion, absent a public stakeholder call and opportunity to

¹ PRR 1004

² <http://www.caiso.com/Documents/AgendaandPresentation-MarketPerformanceandPlanningForum-Feb202018.pdf> (page 96)

³ <https://bpmcm.caiso.com/Lists/PRR%20Comments/Attachments/10/Western%20Power%20Trading%20Forum%20Comments%20on%20Proposed%20Revision%20Request%201004.pdf>

provide comments on the policy itself, WPTF declines to provide the CAISO comments on tariff language and asks that it defer the filing of any such changes unless and until it has conducted a stakeholder review. Absent additional process, WPTF plans to comment at the CAISO Board and at FERC, where presumably the CAISO will be required to provide an explanation for the tariff changes.