Stakeholder Process: Payment Acceleration

Summary of Submitted Comments

Stakeholders submitted rounds of written comments to the ISO on the following dates:

- Round One, 10/2/2008
- Round Two, 10/14/2008
- Round Three, 10/24/2008
- Round Four, 11/13/2008
- Round Five, 12/2/2008

Stakeholder comments are posted at: http://www.caiso.com/docs/2005/03/23/2005032307323521863.html

Other stakeholder efforts include:

- Conference calls
  - 9/18/2008
  - 11/06/2008
  - 12/04/2008
- In-person meetings
  - 8/19/2008
  - 10/16/2008
  - 11/17/2008
- Other stakeholder efforts
  - Initial in-person/conference meetings with 14 stakeholders in July/August timeframe to collect feedback on initial whitepaper published May 30th, 2008.

Management Proposal	ACES	Anaheim	APX	San Diego Gas & Electric	SCE	Powerex
Accelerate Settlement Timeline to the following: TD + 7B TD + 38B TD + 76B TD + 18M TD + 35M 　TD = Trade Date 　B = Business Days	**Support** Supports timeline proposed by the CAISO. Meets objective of Payment Acceleration.	**Support** Supports timeline proposed by the CAISO. Meets objective of Payment Acceleration.	**Support** Supports timeline proposed by the CAISO. Meets objective of Payment Acceleration.	**Support** Preferred a T+51B second true-up, but after conference call will support timeline proposed by the CAISO. Meets objective of Payment Acceleration.	**Support** Preferred a T+51B second true-up, but after SH meeting will support timeline proposed by the CAISO.	**Support** Supports timeline proposed by the CAISO. Meets objective of Payment Acceleration.
Meter Data Substitution Require submittal of estimated Settlement Quality Meter Data five business days after the relevant trading day. When meter data is not available within this timeframe, the CAISO will estimate outstanding metered demand and generation.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.	**Support** After conference call, supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.	**Conditional** Supports proposal to require SCs to submit estimated meter data. Would prefer historical actual consumptions be used instead of estimations when SC does not submit data.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.
Interest Payments Apply interest to any deviations through the second true-up invoice. This is to help ensure that no financial incentives exist to submit unreasonable meter data.	**Conditional** Assessed only on Uninstructed Deviation amounts that change between the Initial and each subsequent invoice.	**Support** Supports interest, would like to see it extended through all true-ups.	**Support** Supports interest provision proposed by the CAISO.	**Oppose** No current precedent and not clear if additional incentive is needed or will work as intended.	**Support** Supports interest, would like to see it extended through all true-ups. Feels an interest provision is a must & will not support PA without one.	**No Comment**
Invoicing Accelerate initial invoicing to semi-monthly.	**Support** Supports proposed invoicing calendar	**Support** Supports proposed invoicing calendar	**Support** Supports proposed invoicing calendar	**Support** Supports proposed invoicing calendar	**Support** Supports proposed invoicing calendar	**Support** As an interim step to weekly invoicing.
Sunset Provision Implement a sunset provision policy at T+36M.	**Support** Supports sunset provision at T+36M.	**Support** Supports sunset provision at T+36M.	**Support** Supports sunset provision at T+36M.	**Support** Supports sunset provision at T+36M.	**Support** Supports sunset provision at T+36M. .	**Support** Supports sunset provision at T+36M.
Deployment Schedule Deploy 3-5 months post MRTU go-live based on pre-determined criteria	**Support** Supports CAISO proposal.	**Support** Supports CAISO proposal.	**Oppose** At least 6 months after MRTU go-live based on MRTU stability.	**Oppose** At least 6 months after MRTU go-live based on MRTU stability.	**Oppose** Dependant on publishing three months of accurate settlement statements.	**Support** Would prefer with MRTU go-live, but ok with proposed schedule.

Management Proposal	Pasadena	PG&E	Calpine	JP Morgan	WPTF	Mirant
Accelerate Settlement Timeline to the following: TD + 7B TD + 38B TD + 76B TD + 18M TD + 35M TD = Trade Date B = Business Days	**Support** Supports timeline proposed by the CAISO. Meets objective of Payment Acceleration.	**Conditional** Supports timeline proposed by the CAISO. Would like to see the 2nd true-up time reduced.	**Support** Supports timeline proposed by the CAISO. Meets objective of Payment Acceleration.	**Support** Supports timeline proposed by the CAISO. Meets objective of Payment Acceleration.	**Support** Supports timeline proposed by the CAISO. Meets objective of Payment Acceleration.	**Support** Supports timeline proposed by the CAISO. Meets objective of Payment Acceleration.
Meter Data Substitution Require submittal of estimated Settlement Quality Meter Data five business days after the relevant trading day. When meter data is not available within this timeframe, the CAISO will estimate outstanding metered demand and generation.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.
Interest Payments Apply interest to any deviations through the second true-up invoice. This is to help ensure that no financial incentives exist to submit unreasonable meter data.	**No Comment**	**Support** Supports interest, would like to see consideration given to a dollar threshold after the second true-up period.	**Oppose** Not necessary.	**Oppose** Concerned may complicate and/or delay implementation due to it being a contentious policy issue with FERC. Supports revisiting at a later time.	**Oppose** Motivations and likelihood of manipulation are remote, should re-evaluate at a later date.	**Oppose** Not at this time, should re-evaluate at a later date after time under the new PA framework.
Invoicing Accelerate initial invoicing to semi-monthly.	**Support** Supports proposed invoicing calendar	**Support** Supports proposed invoicing calendar	**Support** Supports proposed invoicing calendar	**Support** Supports proposed invoicing calendar	**Support** Supports proposed invoicing calendar	**No Comment**
Sunset Provision Implement a sunset provision policy at T+36M.	**Support** Supports sunset provision at T+36M.	**Support** Supports sunset provision at T+36M.	**Support** Supports sunset provision at T+36M.	**Support** Supports sunset provision at T+36M.	**Support** Supports sunset provision at T+36M.	**Support** Supports sunset provision at T+36M.
Deployment Schedule Deploy 3-5 months post MRTU go-live based on pre-determined criteria	**No Comment**	**Oppose** At least 6 months after MRTU go-live based on MRTU stability.	**Support** Would prefer with MRTU go-live, but ok with proposed schedule.	**Support** Would prefer with or 'soon after' MRTU go-live. Critical for reducing market risk and providing stability.	**Support** Would prefer 3 months at a maximum.	**Support** Would prefer with MRTU go-live, but ok with proposed schedule.

Management Proposal	WAPA	NCPA	CDWR	Dynergy	MID	Six Cities
Accelerate Settlement Timeline to the following: TD + 7B TD + 38B TD + 76B TD + 18M TD + 35M TD = Trade Date B = Business Days	**Support** Supports timeline proposed by the CAISO. Meets objective of Payment Acceleration.	**Support** Supports timeline proposed by the CAISO. Would like to have compliance related charge codes eliminated from Initial Settlements.	**Support** Supports timeline proposed by the CAISO. Meets objective of Payment Acceleration.	**Support** Supports timeline proposed by the CAISO. Meets objective of Payment Acceleration.	**Support** Supports timeline proposed by the CAISO. Meets objective of Payment Acceleration.	**Conditional** Prefers second true-up at T+51B rather than T+76B.
Meter Data Substitution Require submittal of estimated Settlement Quality Meter Data five business days after the relevant trading day. When meter data is not available within this timeframe, the CAISO will estimate outstanding metered demand and generation.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.	**Support** Supports methodology proposed by the CAISO for Meter Data Substitution at T+5B.
Interest Payments Apply interest to any deviations through the second true-up invoice. This is to help ensure that no financial incentives exist to submit unreasonable meter data.	**Support** Supports interest provision proposed by the CAISO.	**Oppose** Appropriate compliance measurements & enforcement should be used to discourage unreasonable scheduling practices	**No Comment**	**Oppose** No reason provided.	**Oppose** Unnecessary complication that does not need to be introduced in the near term.	**Support** Supports interest provision proposed by the CAISO.
Invoicing Accelerate initial invoicing to semi-monthly.	**Support** Supports proposed invoicing calendar	**Support** Supports proposed invoicing calendar	**Support** Supports proposed invoicing calendar	**No Comment**	**No Comment**	**Conditional** Remove multiple months on single Invoice.
Sunset Provision Implement a sunset provision policy at T+36M.	**Support** Supports sunset provision at T+36M.	**Support** Supports sunset provision at T+36M.	**Support** Supports sunset provision at T+36M.	**Support** Supports sunset provision at T+36M.	**Support** Supports sunset provision at T+36M.	**Support** Supports sunset provision at T+36M.
Deployment Schedule Deploy 3-5 months post MRTU go-live based on pre-determined criteria	**Oppose** At least 6 months after MRTU go-live based on MRTU stability.	**Oppose** At least 6 months after MRTU go-live based on MRTU stability.	**Oppose** At least 6 months after MRTU go-live based on MRTU stability.	**No Comment**	**No Comment**	**Support**

Management Proposal	Management Response

Accelerate Settlement Timeline to the following:
TD + 7B
TD + 38B
TD + 76B
TD + 18M
TD + 35M
    TD = Trade Date
    B = Business Days
	Full Stakeholder Support on proposal to accelerate settlement timeline. Some participants prefer moving the second true-up to T+51B, however; that timeline would not allow for a sufficient dispute resolution window.

Meter Data Substitution Require submittal of estimated Settlement Quality Meter Data five business days after the relevant trading day. When meter data is not available within this timeframe, the CAISO will estimate outstanding metered demand and generation.	**Full Stakeholder Support on Meter Data Substitution methodology.**
Interest Payments Apply interest to any deviations through the second true-up invoice. This is to help ensure that no financial incentives exist to submit unreasonable meter data.	The CAISO is proposing that initially, interest stop after the second true-up Invoice and not carry on into subsequent Invoices that could occur for the T + 18 month and T+ 35 month Settlement Statements. Since the target implementation for payment acceleration is sometime between three and five months after MRTU start-up, the CAISO will have time to evaluate prior to the first T + 18 month Statement whether or not interest charges are necessary beyond the second true-up Invoice by evaluating Settlements and Market Data.
Invoicing Accelerate initial invoicing to semi-monthly.	**Full Stakeholder Support on proposal to invoice semi-monthly. Some participants prefer not to combine billing periods on an Invoice. However, that practice is an approved MRTU design and will be the standard post MRTU go-live.**
Sunset Provision Implement a sunset provision policy at T+36M.	**Full Stakeholder Support on proposal to implement sunset provision at 36 months.**
Deployment Schedule Deploy 3-5 months post MRTU go-live based on pre-determined criteria	Payment Acceleration will not be implemented until after MRTU go-live. A deployment criteria has been established to help determine readiness.