

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Availability of e-Tag Information
to Commission Staff

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Docket No. RM11-12-000

**COMMENTS OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR
CORPORATION AND THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR
CORPORATION DEPARTMENT OF MARKET MONITORING**

The California Independent System Operator Corporation (ISO) and the ISO's Department of Market Monitoring (DMM) submit the following comments in response to the April 21, 2011 Notice of Proposed Rulemaking (NOPR) issued by the Federal Energy Regulatory Commission regarding the availability of e-Tag information to Commission staff.¹ The ISO and DMM both support the Commission's proposal to require the Electric Reliability Organization (ERO) to make e-Tag information available to Commission staff and urge the Commission to also require the ERO to provide this information directly to the Independent System Operators or Regional Transmission Organizations as entities involved in market analysis, design, and monitoring.

COMMENTS

The ISO and DMM agree that access to comprehensive e-Tag information "would enhance the Commission staff's efforts to monitor market developments and prevent market manipulation, assure just and reasonable rates, and in monitoring

¹ *Availability of E-Tag Information to Commission Staff*, Notice of Proposed Rulemaking, 135 FERC ¶ 61,052 (2011) (NOPR).

compliance with certain NAESB business practice standards.”² DMM and the ISO agree that the provision of this data directly to the Commission will enhance the Commission’s ability to “detect anti-competitive or manipulative behavior or ineffective market rules, monitor the efficiency of the markets, and better inform Commission policies and decision-making.”³ Therefore, the ISO and DMM support the Commission’s proposed rule to specifically require the ERO certified by the Commission under § 39.3 of the Commission’s regulations to make available to Commission staff on an ongoing, non-public basis the complete e-Tags used to schedule the transmission of electric power in wholesale markets. The Commission should also have direct and uninhibited access to e-Tag data through the existing methods for making this data available. Creating and maintaining any new system to make this information available to the Commission would be costly, redundant, inefficient, and could unnecessarily delay providing Commission staff access to this information. As the entity with primary responsibility for monitoring bilateral wholesale market transactions, the ISO and DMM see no reason why Commission staff should not have access to comprehensive e-Tag information as soon as possible.

The ISO and DMM strongly support making comprehensive e-Tag information available to each ISO’s and RTO’s market monitoring unit. These market monitoring units play a key role in market analysis, design and monitoring and should therefore have access to these data. DMM currently has access to e-Tag information for all schedules with a source, sink, or contract path through the California ISO system. The NOPR would expand data available to DMM to include complete e-Tag information on any e-Tag associated with these transactions. DMM would also benefit from the fact that these data would presumably be available in a standard, clearly-documented downloadable electronic format. This would facilitate more efficient and automated use

² NOPR, at P 7.

³ *Id.* at 15.

of these data in market analysis and monitoring activities. Therefore, the ISO and DMM request that the final rule include a requirement that the same data made available to Commission staff is also made available to the market monitoring units of the various ISO and RTOs.

Finally, the ISO and DMM also believe that comprehensive e-Tag information should be made available to ISO/RTO staff for use in the analysis and design of ISO/RTO markets, as well as in the enforcement of applicable market rules. The NOPR seems to overlook the key role that staff outside of market monitoring units at ISOs and RTOs must necessarily perform in these functions. Markets based on locational pricing are designed to more accurately reflect the fundamentals of system operations through the use of system flow models. When loop flows disrupt the ability of those models to reflect true flows, inaccurate market information and modeling can create market inefficiencies and gaming opportunities. Complete e-Tag information, including ultimate physical locational specific source and sink information, for transactions outside of a balancing authority can be critical for assessing the impact of loop flows and more effectively incorporating these impacts into market modeling assumptions, design features and scheduling rules. Thus, ISO/RTO staff need access to this information as much as, or more than, market monitors. Therefore, any final rule should also require that the e-Tag information be provided to ISO/RTO staff in the same manner that it is provided to Commission staff and the market monitoring units of the ISOs and RTOs. The final rule should also consider a method for ISOs and RTOs to identify the geographic scope of the e-Tags it would require to serve these purposes.⁴

Accordingly, the ISO and DMM strongly support the Commission's proposal and urge that the Commission require that the same information be made available to RTO/ISO staff and the individual market monitors for the respective markets.

⁴ *E.g.*, the ISO is not advocating that it receive e-Tag information regarding transactions in regions, like the Eastern Interconnection, that do not impact the ISO's markets.

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing documents upon each party listed on the official service list for the above-referenced proceeding, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, CA on this 27th day of June, 2011.

Asl Anna Pascuzzo

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