

**Stakeholder Comments Template  
Day-Ahead Market Enhancements Initiative**

This template has been created for submission of comments on proposed market design options discussed with stakeholders during the August 13, 2019 Day-Ahead Market Enhancements working group meeting. Information related to this initiative is available on the initiative webpage at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/Day-AheadMarketEnhancements.aspx>.

Upon completion of this template, please submit it to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com). Submissions are requested by close of business on August 27, 2019.

<b>Submitted by</b>	<b>Organization</b>	<b>Date Submitted</b>
<i>Lina Khoury, Senior Analyst Lina.Khoury@cpuc.ca.gov</i>	<i>Public Advocates Office, CPUC</i>	<i>August 27, 2019</i>

Please provide comments on the preferred market structures that were discussed during the August 13, 2019 working group meeting. Include the pros and cons for each option.

- At this time, does your organization support moving forward with **Option 1: Financial**, **Option 2: Financial + Forecast**, or **undecided**. Provide supportive comments (in favor of, or in opposition to) below.

**Please double click on check box below to select your position:**

<p><b><u>Option 1:</u></b></p> <p><input type="checkbox"/> Support</p> <p><input type="checkbox"/> Support with caveats</p> <p><input type="checkbox"/> Oppose</p> <p><input checked="" type="checkbox"/> Uncdecided</p>	<p><b><u>Option 2:</u></b></p> <p><input checked="" type="checkbox"/> Support</p> <p><input type="checkbox"/> Support with caveats</p> <p><input type="checkbox"/> Oppose</p> <p><input type="checkbox"/> Uncdecided</p>
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### **Option 1: Financial**

- Co-optimizes bid-in demand, ancillary services and imbalance reserves
- Imbalance reserves cover historical uncertainty between IFM cleared net load and FMM net load
- Exceptional dispatch if IFM clears inconsistent with operational needs

### **Please provide comments to explain your position on option #1:**

*The Public Advocates Office has no comments at this time.*

### **Pros of option #1:**

*The Public Advocates Office has no additional pros to option # 1 at this time.*

### **Cons of option #1:**

*The Public Advocates Office has no additional cons to option # 1 at this time.*

### **Option 2: Financial + Forecast**

- Co-optimizes bid-in demand, ISO reliability capacity, ancillary services and imbalance reserves
- Imbalance reserves cover historical uncertainty between ISO's day-ahead net load forecast and FMM net load
- Reliability capacity covers differences between ISO net load and cleared net load
- Exceptional dispatch if IFM/RUC clears inconsistent with operational needs

### **Please provide comments to explain your position on option #2:**

*Both Option 1 and Option 2 have merit based on the Public Advocates Office's review of CAISO's analysis and will enable the CAISO to meet its Integrated Resource Plan (IRP) needs. However, the Public Advocates Office supports option #2 because it provides the following benefits:*

- *More efficient commitment of long start resources.*
- *Binding day-ahead market financial schedules (and compensation) for all resources needed to reliably meet the CAISO load forecast.*
- *Consistent and efficient prices across resources scheduled to meet bid load, and to meet the CAISO's load forecast.*
- *Assurance that resources committed to meet the CAISO's load forecast can be dispatched to meet the load.*
- *More efficient pricing for virtual supply bids that require the scheduling of incremental reliability capacity.*

**Pros of option #2:**

*The Public Advocates Office does not have any additional pros of option # 2 at this time.*

**Cons of option #2:**

*The Public Advocates Office does not have any additional cons of option # 2 at this time.*

Please offer any other feedback your organization would like to provide on presentation materials and discussion for August 13, 2019 Day-Ahead Market Enhancements stakeholder working group meeting.

**Comments:**

*The Public Advocates Office has no comments at this time.*