Comments Submitted to the California ISO Regarding the Post Ex Post Price Correction Make Whole Payments Posted on March 17, 2010

Num	Name of Party	Comment	ISO response
1	PG&E	Settlement of the "Price Correction Derived LMP" The proposed tariff language states that for resources that have been impacted by a price correction, "the IFM LMP will be the Price Correction Derived LMP". Using this language it is unclear which components of the LMP will be changed and therefore, how settlements will be affected. It was PG&E's understanding that the Price Correction Derived LMP would be created by altering only the congestion component of the "original" LMP. This way, the energy and loss components remain the same. Assuming this understanding is correct, it might be helpful if additional language specifying this mechanism was added to the Tariff.	The ISO will calculate the Price Correction Derived LMP as described in the final proposal and in the proposed Section 11.21 of the tariff. This Price Correction Derived LMP will then be used to settle the cleared MWh schedules of demand or export.
2	PG&E	Make Whole Payments for Virtual Bids PG&E would like clarity regarding any additional tariff review that might be needed to establish make whole payment functionality for virtual bids. The draft final proposal dealt extensively with this topic, but it does not appear to be a part of this tariff filing or the Convergence Bidding filing. Does this mean that the CAISO intends to file additional tariff language for FERC approval regarding this one provision? If so, when is this filing likely to happen?	The make whole payment language for virtual bids will be included in the upcoming Convergence Bidding tariff filing.
3	SCE	SCE recommends the ISO use consistent terminology when talking about original LMP, corrected LMP, and the Price Correction Derived LMP. The current language uses LMP and market clearing price interchangeably to mean, in our mind, the original LMP. The language also uses the terms corrected and adjusted to mean the same thing. Lastly, the language uses the term derived (lower case) in reference to the Price Correction Derived LMP price.	The ISO has accepted the proposed changes.
4	SCW	SCE recommends the ISO include language that indicates that this section only applies to LMP's that are corrected upward and not downward.	The language specifies that the adjustment is for an upward price correction.

5	SCE	SCE also recommends the ISO modify the wording of the last sentence in section 11.3.1 to be consistent with the formula included in the final proposal and the mathematical order of operations. Bid Segment MW * (Max(0, corrected price – bid segment price)) The language as written could be interpreted to say that the calculation multiplies the cleared MWh quantity of the entire schedule and the maximum of zero or the corrected LMP price together, and then subtracts from that resultant value the segment bid price. This interpretation is incorrect, as the intent of the calculation is to multiply the MWh quantity of each cleared bid segment by the difference between the Price Corrections for Make Whole Payments corrected LMP and the bid segment price. Where the difference between the corrected LMP and the bid segment price can not result in a value less than zero.	Adding a comma as suggested by SCE provides this clarification.