

Submitted By	Company	Date Submitted
Brian Theaker	NRG Energy, Inc.	January 22, 2019

NRG strongly supports the CAISO's proposal to use the Intercontinental Exchange ("ICE") Monday-only gas price, published on Friday, to develop proxy costs (and, correspondingly, caps on start-up, minimum load cost and energy bids) for the Monday Day-Ahead market the CAISO runs on Sunday.

NRG also strongly encourages the CAISO to use that Monday-only ICE price for the Monday Real-Time market as well. For the same reasons that the CAISO articulated in the white paper as to why the ICE Monday-only price provides better information for the CAISO Monday Day-Ahead market, the ICE Monday-only price also provides better gas price information for the CAISO Monday real-time market.

NRG proposes revised tariff language below.

#### **39.7.1.1.1.3 Calculation of Natural Gas Price**

(c) For the Real-Time Market, **for all Trading Days except for Monday Trading Days**, the CAISO will calculate a gas price index using at least two prices from two or more of the following publications: Natural Gas Intelligence, SNL Energy/BTU's Daily Gas Wire, Platt's Gas Daily, and the Intercontinental Exchange **published one (1) day prior to the applicable Trading Day for natural gas deliveries on the Trading Day, unless gas prices are not published on that day, in which case the CAISO will use the most recently published prices that are available. For Monday Trading Days, the CAISO may use the Monday-only index when it is available and reported by the Intercontinental Exchange three (3) days prior to the Monday Trading Day.** The CAISO will update gas price indices for the Real-Time Market between the hours of 19:00 and 22:00 Pacific Time ~~using natural gas prices published one (1) day prior to the applicable Trading Day for natural gas deliveries on the Trading Day, unless gas prices are not published on that day, in which case the CAISO will use the most recently published prices that are available.~~

Finally, the CAISO's proposed tariff language indicates the CAISO *may*, but is not compelled to, use the Monday-only price when it is available from ICE. This raises the possibility that the CAISO may *not* use the Monday-only price, even when it is available and reported by ICE. NRG requests the CAISO (1) describe the conditions under which the CAISO would *not* use the ICE Monday-only price when it is reported by ICE and (2) consider whether the tariff language should be changed from permitting the CAISO to use the Monday-only ICE price when it is available to requiring the CAISO to use that price when it is available.