

**Comments of Powerex Corp. on  
the Bidding Rules Enhancements Straw Proposal and the Proposal  
to Change Market Close timeframe to Align with the New Timely  
Gas Nomination Close in light of FERC Order 809**

Submitted by	Company	Date Submitted
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As a longstanding participant in the CAISO day-ahead market, Powerex appreciates this opportunity to provide these limited comments on the CAISO’s proposed alternatives to modify the timing of the CAISO’s day-ahead market timelines in light of FERC Order 809, which modifies the gas timely nomination cycle from 9:30 am PPT to 11:00 am PPT.

In the CAISO’s Bidding Rules Enhancements Straw Proposal dated April 22, 2015, the CAISO has presented three different alternatives to the timing of the closing of the day-ahead market, namely:

- **Alternative 1:** Move the timing of the ISO’s day-ahead market timelines to earlier in the day (e.g. 7 a.m. – 10 a.m. PT) so that the generators know their electric dispatch obligations before the day-ahead timely nomination cycle for gas scheduling.
- **Alternative 2:** Maintain the ISO’s current timing for the day-ahead scheduling process on the grounds that obtaining gas scheduling on the pipelines serving California generators is not a problem and it is sufficient to know electric dispatch obligations at the time of the day -ahead evening nomination cycle.
- **Alternative 3:** Move the timing of the ISO’s day ahead market timelines to later in the day (e.g. noon to 3:00 p.m. PT), so that gas-fired resources learn their day-ahead dispatch obligations after the timely nomination and use the evening nomination cycle at 4:00 p.m. PT to address any fuel scheduling imbalances.

**Powerex Opposes Modifying the Market Close Timeline To Later In the Day, as Proposed in Alternative 3**

Powerex believes that delaying the timing of the CAISO day-ahead market closing timeline would require significant changes to staffing and workflow processes of market participants throughout the Western Interconnection. This would include not only market participants that are the scheduling coordinators in the CAISO day-ahead market, but also their counterparties, which could ultimately negatively affect intertie participation in CAISO’s day-ahead market.

CAISO day-ahead awards should be published in time for market participants to complete all of their day ahead scheduling by no later than 3:00pm, which is consistent with day-ahead scheduling practices in the rest of the WECC.

Powerex notes that even under the current day-ahead market timeline, there are days in which the CAISO is forced to delay publishing the day-ahead market results due to technical problems. If the CAISO shifts its day-ahead market closing timeline to later in the afternoon, such late publishing events would mean that market participants would receive their market results even later than what occurs today and potentially into the late evening.

Even more problematic and likely unworkable for utilities and suppliers in the West is the increased likelihood that may require CAISO day-ahead awards to be predominantly scheduled in real-time. Such a situation would pose significant operational and workload challenges for intertie participants and would ultimately harm participation in the CAISO day-ahead market.

In light of the above, while Powerex takes no position on maintaining the status quo or moving the day-ahead market close timeline to slightly earlier in the day (as proposed in Alternative 1 and Alternative 2), Powerex strongly opposes a later day-ahead timeline as proposed in Alternative 3.