Stakeholder Comments Template

Subject: Straw Proposal for Modifying Rules Limiting Supply Bid Pool in IFM

Submitted by	Company	Date Submitted
Gifford Jung 604-891-6040	Powerex Corp.	August 18 th , 2009

Powerex appreciates the opportunity to provide these comments on the Straw Proposal for Modifying Rules Limiting Supply Bid Pool in IFM.

On an interim basis, Powerex supports the use of Approach 1 – All bids, mitigated and unmitigated, available to the IFM on the assumption that the IFM run time will only occasionally exceed the 1300 publishing time. However, Powerex believes the long term solution should be to use the bid-in demand curve in the LMPM run, Approach 4, and supports implementing bid-in demand as part of Convergence Bidding.

In addition, Powerex strongly believes that using any approach with an inelastic demand curve that is not transparent to the market for the LMPM run has the real potential to over-mitigate supply bids, and therefore, does not support Approach 3 or the SCE proposal. The CAISO forecast, while inelastic, has transparency since it is posted on OASIS

In Powerex's opinion, Approach 2 is not an improvement over Approach 1. Requiring a re-run of the market whenever cleared demand is 5% or more than forecast would significantly increase the publishing time for the Day Ahead market over Approach 1 whenever this situation occurs.