

## Stakeholder Comments

### CAISO Congestion Revenue Rights (CRR) Clawback Modification

#### Draft Final Proposal

Submitted by	Company	Date Submitted
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SCE appreciates the opportunity to comment on the California Independent System Operator (CAISO) CRR Clawback Modification Draft Final Proposal (Proposal)<sup>1</sup>. The Proposal remains essentially the same as the Straw Proposal<sup>2</sup>, except that the HASP (Hour Ahead Scheduling Process) reversal rule<sup>3</sup> is now removed from the bidding rule criteria in exempting certain import/export bids from the CRR clawback rule and that the bidding rule criteria will use original day-ahead prices prior to any price correction.

Since the Proposal mainly remains the same as the Straw Proposal, SCE retains its same position as outlined in its prior comments<sup>4</sup>. In particular, as the concern on potential impact to the CRR profit hasn't been fully addressed, SCE supports the CAISO/DMM's commitment to closely monitoring for instances where imports and exports are not tagged consistent with Fifteen Minute Market (FMM) awards and encourages the CAISO/DMM closely track any impact to the CRR profit due to the changes under the Proposal.

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<sup>1</sup> CAISO CRR Clawback modification Draft Final Proposal, dated May 16, 2016, available at

[http://www.caiso.com/Documents/DraftFinalProposal\\_CongestionRevenueRightsClawbackRuleModification.pdf](http://www.caiso.com/Documents/DraftFinalProposal_CongestionRevenueRightsClawbackRuleModification.pdf)

<sup>2</sup> CAISO CRR Clawback modification Issue Paper and Straw Proposal, dated April 13, 2016, available at

<http://www.caiso.com/Documents/StrawProposal-CongestionRevenueRightsClawbackRuleModification.pdf>

<sup>3</sup> According to the CAISO, "the HASP reversal rule only evaluates if the day-ahead schedule has been tagged through the hour ahead scheduling process, not if the schedule is ultimately tagged prior to the operating hour. As a result the ISO will not include passage of the HASP reversal rule in the proposal because it increases implementation complexity without addressing instances where a day-ahead schedule is not tagged after the HASP. The current CRR clawback calculations do not use final e-tags when evaluating the flow impact. The ISO is not proposing any change to the current calculation of the CRR clawback amount by using final tagged imports/exports versus 15-minute market schedule." In return, the CAISO and DMM committed to monitoring imports/exports tagging inconsistent with FMM awards. (p.4, the Draft Final Proposal).

<sup>4</sup> SCE's comments on the Issue Paper and Straw Proposal, available at

<http://www.caiso.com/Documents/SCEComments-CRRClawbackRuleModification-StrawProposal.pdf>