

Stakeholder Comments

Revised Draft Tariff Language – Order 764

| Submitted by | Company | Date Submitted |
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The following are Southern California Edison’s (SCE) proposed edits on the California Independent System Operator’s (CAISO) Revised Draft Tariff Language¹.

¹ <http://www.caiso.com/Documents/RevisedDraftTariffLanguage-FERCOrder764MarketChanges.doc>

30.5.1

General Bidding Rules

- (a) All Energy and Ancillary Services Bids of each Scheduling Coordinator submitted to the DAM for the following Trading Day shall be submitted at or prior to 10:00 a.m. on the day preceding the Trading Day, but no sooner than seven (7) days prior to the Trading Day. All Energy and Ancillary Services Bids of each Scheduling Coordinator submitted to the RTM for the following Trading Day shall be submitted starting from the time of publication, at 1:00 p.m. on the day preceding the Trading Day, of DAM results for the Trading Day, and ending seventy-five (75) minutes prior to each applicable Trading Hour in the RTM. The CAISO will not accept any Energy or Ancillary Services Bids for the following Trading Day between 10:00 a.m. on the day preceding the Trading Day and the publication, at 1:00 p.m. on the day preceding the Trading Day, of DAM results for the Trading Day;
- (b) Bid prices submitted by a Scheduling Coordinator for Energy accepted and cleared in the IFM and scheduled in the Day-Ahead Schedule may be increased or decreased in the RTM market processes. Incremental Bid prices for Energy associated with Day-Ahead AS or RUC Awards in Bids submitted to the RTM may be revised. Scheduling Coordinators may revise ETC Self-Schedules for Supply in the RTM to the extent such a change is consistent with TRTC Instructions provided to the CAISO by the Participating TO in accordance with Section 16. Scheduling Coordinators may revise TOR Self-Schedules for Supply only in the HASP to the extent such a change is consistent with TRTC Instructions provided to the CAISO by the Non-Participating TO in accordance with Section 17. Energy associated with awarded Ancillary Services capacity cannot be offered in the Real-Time Market separate and apart from the awarded Ancillary Services capacity;

- (c) Scheduling Coordinators may submit Energy, AS and RUC Bids in the DAM that are different for each Trading Hour of the Trading Day;
- (d) Bids for Energy or capacity that are submitted to one CAISO Market, but are not accepted in that market are no longer a binding commitment and Scheduling Coordinators may submit Bids in a subsequent CAISO Market at a different price;
- (e) The CAISO shall be entitled to take all reasonable measures to verify that Scheduling Coordinators meet the technical and financial criteria set forth in Section 4.5.1 and the accuracy of information submitted to the CAISO pursuant to this Section 30; and
- (f) In order to retain the priorities specified in Section 31.4 and 34.10 for scheduled amounts in the Day-Ahead Schedule associated with ETC and TOR Self-Schedules or Self-Schedules associated with Regulatory Must-Take Generation, a Scheduling Coordinator must submit to the Real-Time Market ETC or TOR Self-Schedules, or Self-Schedules associated with Regulatory Must-Take Generation, at or below the Day-Ahead Schedule quantities associated with the scheduled ETC, TOR or Regulatory Must-Take Generation Self-Schedules. If the Scheduling Coordinator fails to submit such Real-Time Market ETC, TOR or Regulatory Must-Take Generation Self-Schedules, the defined scheduling priorities of the ETC, TOR, or Regulatory Must-Take Generation Day-Ahead Schedule quantities may be subject to adjustment in the HASP and the Real-Time Market as further provided in Section 31.4 and 34.10 in order to meet operating conditions.
- (g) For Multi-Stage Generating Resources that receive a Day-Ahead Schedule, are awarded a RUC Schedule, or receive an Ancillary Services Award the Scheduling Coordinator must submit an Energy Bid in the Real-Time Market for the same Trading Hour(s) If the Scheduling

Coordinator submits an Economic Bid for such Trading Hour(s), the Economic Bid must be for either: the same MSG Configuration scheduled or awarded in the Integrated Forward Market, or the MSG Configuration committed in RUC. If the Scheduling Coordinator submits a Self-Schedule in the Real-Time Market for such Trading Hour(s), then the Energy Self-Schedule may be submitted in any registered MSG Configuration, including the MSG Configuration awarded in the Day-Ahead Market, that can support the awarded Ancillary Services (as further required by Section 8). Scheduling Coordinators for Multi-Stage Generating Resources may submit into the Real-Time Market bids from up to six (6) MSG Configurations in addition to the MSG Configuration scheduled or awarded in the Integrated Forward Market and Residual Unit Commitment, provided that the MSG Transitions between the MSG Configurations bid into the Real-Time Market are feasible and the transition from the previous Trading Hour are also feasible.

- (h) For the Trading Hours that Multi-Stage Generating Resources do not have a CAISO Schedule or award from a prior CAISO Market run, the Scheduling Coordinator can submit up to six (6) MSG Configurations into the RTM.
- (i) A Scheduling Coordinator cannot submit a Bid to the CAISO Markets for a MSG Configuration into which the Multi-Stage Generating Resource cannot transition due to lack of Bids for the specific Multi-Stage Generating Resource in other MSG Configurations that are required for the requisite MSG Transition.
- (j) In order for Multi-Stage Generating Resource to meet any Resource Adequacy must-offer obligations, the responsible Scheduling Coordinator must submit either an Economic Bid or Self-Schedule for at least one MSG Configuration into the Day-Ahead Market and Real-Time Market

that is capable of fulfilling that Resource Adequacy obligation, as feasible. The Economic Bid shall cover the entire capacity range between the maximum bid-in Energy MW and the higher of Self-Scheduled Energy MW and the Multi-Stage Generating Resource plant-level PMin.

- (k) For any given Trading Hour, a Scheduling Coordinator may submit Self-Schedules and/or Submissions to Self-Provide Ancillary Services in only one MSG Configuration for each Generating Unit or Dynamic Resource-Specific System Resource.
- (l) In any given Trading Hour in which a Scheduling Coordinator has submitted a Self-Schedule for a Multi-Stage Generating Resource, the Scheduling Coordinator may also submit Bids for other MSG Configurations provided that they concurrently submit Bids that enable the applicable CAISO Market to transition the Multi-Stage Generating Resource to other MSG Configurations.
- (m) If in any given Trading Hour the Multi-Stage Generating Resource was awarded Regulation or Operating Reserves in the IFM, any Self-Schedules or Submissions to Self-Provide Ancillary Services the Scheduling Coordinator submits for that Multi-Stage Generating Resource in the RTM must be for the same MSG Configuration for which Regulation or Operating Reserve is Awarded in IFM for that Multi-Stage Generating Resource in that given Trading Hour.
- (n) If a Multi-Stage Generating Resource has received a binding RUC Start-Up Instruction as provided in Section 31, any Self-Schedule or Submission to Self-Provide Ancillary Services in the RTM must be in the same MSG Configuration committed in RUC.
- (o) If in any given Trading Hour the Multi-Stage Generating Resource is scheduled for Energy in the IFM, any Self-Schedules the Scheduling

Coordinator submits for that Multi-Stage Generating Resource in the RTM must be for the same MSG Configuration for which Energy is scheduled in IFM for that Multi-Stage Generating Resource in that given Trading Hour.

- (p) For a Multi-Stage Generating Resource, the Bid(s) submitted for the resource's configuration(s) shall collectively cover the entire capacity range between the maximum bid-in Energy MW and the higher of the Self-Scheduled Energy MW and the Multi-Stage Generating Resource plant-level PMin. This rule shall apply separately to the Day-Ahead Market and the Real-Time Market.
- (q) Self-Schedule Hourly Block for the RTM can be submitted as an import or an export to or from the CAISO Balancing Authority Area. Self-Scheduled Hourly Blocks can be submitted for Ancillary Services imports. Such a Bid shall be for the same MWh quantity for each of the four fifteen (15)-minute intervals that make up the applicable Trading Hour.
- (r) Variable Energy Resource Self-Schedule for the RTM can be submitted from a Variable Energy Resource. Scheduling Coordinators can use either the CAISO forecast for expected Energy in the RTM or can provide its own forecast for expected Energy. The Scheduling Coordinator must indicate in Master File whether it is using its own forecast or the CAISO forecast for its resource in support of the Variable Energy Self-Schedule. Neither option requires that the Variable Energy Resource Self-Schedule include the same MWh quantity for each of the four fifteen (15)-minute intervals that make up the applicable Trading Hour. If an external resource submits a Variable Energy Resource Self-schedule and the expected Energy is not delivered in the FMM, the Variable Energy Resource will be subject to the Decline Potential Charge

as described in Section 11.31. Scheduling Coordinators for Dynamically Scheduled Variable Energy Resources that provide the CAISO with a two-hour rolling forecast with five-minute granularity can submit VER Self-Schedules. In addition, the Scheduling Coordinator must complete the certification process defined in the CAISO Business Practice Manual to qualify as a VER using their own forecast.

- (s) Scheduling Coordinators can submit Economic Hourly Block Bids to be considered for a ~~financially~~ binding Schedule in HASP that creates the same MW award for each of the four FMM intervals. Economic Hourly Block Bids can also be submitted for Ancillary Services. As specified in Section 11, a cleared Economic Hourly Block Bid is not eligible for Bid Cost Recovery.
- (t) Scheduling Coordinators can submit Economic Hourly Block Bids with Intra-Hour Option. If accepted, such a Bid creates a binding Schedule in HASP that creates the same MW award for each of the four FMM intervals, except that the Schedule can be reoptimized through the FMM once during the Trading Hour. If reoptimized, the Schedule cannot be changed for economic reasons again during the Trading Hour. As specified in Section 11, a cleared Economic Hourly Block Bid with Intra-Hour Option is not eligible for Bid Cost Recovery.
- (u) A Scheduling Coordinator submitting Bids to the RTM is not required to submit either a Self-Schedule Hourly Block, a Variable Energy Resource Self-Schedule, an Economic Hourly Block Bid, or an Economic Hourly Block Bid with Intra-Hour Option. A Scheduling Coordinator may choose to participate in the RTM through regular Economic Bids or Self-Schedules.

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30.7.3.6.3.2 Position Limits at Interties

For an Intertie, the locational limits will be equal to a percentage of the Operating Transfer Capability of the Intertie. The percentages used to calculate the position limits of each Convergence Bidding Entity at Interties will be the following percentages of the published locational limits:

- a) Position limits of zero (0) percent will apply during the time period beginning as of the effective date of this tariff provision through the last day of the twelfth month following the effective date of this section 30.7.3.6.3.2.
- b) Position limits of five (5) percent will apply during the time period beginning as of the first day of the thirteenth month following the effective date of this tariff provision through the last day of the twentieth month following the effective date of this tariff provision.
- c) Position limits of twenty-five (25) percent will apply during the time period beginning on the first day of the twenty-first month following the effective date of this tariff provision through the last day of the twenty-fourth month following the effective date of this tariff provision.
- d) Position limits of fifty (50) percent will apply during the time period beginning on the first day of the twenty-fourth month following the effective date of this tariff provision through the last day of the twenty-eighth month following the effective date of this tariff provision.
- e) Position limits will cease to apply beginning on the first day of the twenty-ninth daymonth following the effective date of this tariff provision.

The CAISO will enforce the locational limits for Interties at Bid submission and at Market Close for Virtual Bids. The CAISO will utilize the 9:00 AM Operating Transfer Capability for Bids submitted after 9:00 AM until the close of the Day-Ahead Market for the next Trading Day.

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30.9 Virtual Bids

Virtual Bids are Energy Bids that may be submitted only in the Day-Ahead Market, at Eligible PNodes, including PNodes located at an Intertie where virtual bidding is permitted, or Eligible

Aggregated PNodes, including Aggregated PNodes located at an Intertie, where virtual bidding is permitted, by Scheduling Coordinators representing Convergence Bidding Entities. Virtual Bids are either Virtual Supply Bids or Virtual Demand Bids. A Virtual Bid submitted in the Day-Ahead Market and cleared in the IFM represents a commitment to liquidate a Day-Ahead award in the Real-Time Market at the price determined for the applicable Eligible PNode or Eligible Aggregated PNode as set forth in Section 11.3. For each SCID associated with a Convergence Bidding Entity, there may be only one Virtual Supply Bid and one Virtual Demand Bid per each Eligible PNode or Eligible Aggregated PNode in the Day-Ahead Market. The minimum size of a segment of a Virtual Bid is one (1) MW.

**** 31.8**

Within the IFM optimization, the CAISO enforces a constraint at each Intertie Scheduling Point such that Physical and virtual imports net of physical and virtual exports must be less than or equal to the scheduling limit at the Scheduling Point in the applicable direction. The Shadow Price of this IFM constraint is incorporated into the pricing run LMPs. Within the RUC process, the CAISO enforces a constraint at each Intertie Scheduling Point such that physical imports net of physical exports must be less than or equal to the scheduling limit at the Scheduling Point in the applicable direction. This RUC constraint determines what Day-Ahead Schedules can have an E-Tag submitted Day-Ahead. Day-Ahead Schedules which are precluded from submitting an E-Tag Day-Ahead on this basis are exempt from the charges described in Section 11.32.

Comment [A1]: Is this misnumbered or out of order? Also, should have a descriptive heading.