

Seattle City Light's Comments on CAISO's 2018 Policy Initiatives Roadmap
January 31, 2018

About Seattle City Light

Seattle City Light (Seattle) is the tenth largest consumer owned electric utility in the nation, providing electrical service to more than 415,000 residential, commercial, and industrial customers in the City of Seattle, Washington and six adjacent cities. Seattle owns and operates resources with approximately 2,000 MW of flexible, fast-ramping, hydroelectric capacity. We regularly transact in the wholesale energy and transmission markets. Seattle executed an Implementation Agreement with the California Independent System Operator (CAISO) and intends to begin participating in the Energy Imbalance Market (EIM) in April 2020.

Comments

Seattle thanks CAISO for the opportunity to provide comments on its 2018 Policy Initiatives Roadmap presentation dated January 12, 2017. Seattle reviewed the roadmap and appreciates CAISO's ability to identify several broad categories of market improvements it will focus on for the next several years. Seattle will review with interest the details of CAISO's proposal to expand the day-ahead market to the EIM area. This complex undertaking is likely to take up a considerable amount of bandwidth for CAISO and EIM stakeholders.

At its January 23, 2018, meeting, the EIM Governing Body noted that this important work is classified as "advisory only" for purposes of EIM governing body approval, but a primary authority or hybrid-primary authority may be a more appropriate classification. We agree, and request that CAISO reexamine this classification accordingly.

Seattle appreciates the inclusion of the Day-Ahead Flexible Reserve Product in the roadmap, and encourages CAISO to prioritize their timely implementation.

In addition, CAISO indicated that it is likely to start a process outside of a policy initiative to implement a narrow set of real-time market changes. Seattle encourages CAISO to initiate efforts that will allow EIM entities the ability to adjust base schedules closer to the operating hour while limiting exposure to imbalance charges. These efforts could take place as a part of a policy initiative, or outside of that process.

Seattle thanks CAISO for responding to stakeholder concerns and including in this final draft an initiative to address EIM Offer Rules.

Seattle looks forward to participating in the EIM-related initiatives that CAISO selects to start in 2018. If you have any questions about these comments, please contact Yochi Zakai at yochanan.zakai at seattle.gov or 206-684-3534.