

May 4, 2018

California ISO  
P.O. Box 639014  
Folsom, CA 95630

RE: Comments from SDG&E on the Reliability Coordinator Rate Design, Terms, and Conditions Straw Proposal dated April 5, 2018

Dear Sir or Madam:

SDG&E would like to thank the California ISO (CAISO) for the opportunity to comment on the document posted April 5, 2018, entitled Reliability Coordinator Rate Design, Terms, and Conditions. Below are SDG&E's comments.

### **RC Scope of Service**

SDG&E appreciates CAISO's approach of an open and transparent process.

CAISO RC should explore ways to support the joint-use tools such as Western Interchange Tool (WIT) and Enhanced Curtailment Calculator (ECC).

SDG&E also sees the need to establish a common data exchange platform that has multiple webrooms or pages dedicated to the different data exchange activities. Such a configuration would reduce overall administration and reduce administrative burden for CAISO and RC Customers.

### **RC Oversight**

SDG&E supports the concept of the RPSC; however, SDG&E would like to see CAISO provide clarification relative to:

- the procedures and reporting structure between the RPSC and CAISO RC, lower-level sub-committees, and working groups;
- how consensus will be achieved when a discrepancy arises amongst the members of the RPSC or between working groups;
- dispute resolution process.

### **RC Funding Requirements and Rate Design**

#### **RC Operating Budget**

CAISO anticipates that approximately 28 FTE positions are required. Labor being the largest direct expense, SDG&E would like more information on how CAISO determined the number of FTEs.

### **FERC, NERC, and WECC Penalties**

SDG&E would like to see the CAISO more clearly define the process of how penalties will be assessed and disbursed among RC Funding Parties. SDG&E wants to ensure that reliability coordinator-focused penalties are disbursed in an equitable manner given the overlap of functions.

SDG&E request that CAISO provides examples to further illustrate how penalties will be distributed.

### **Hosted Advanced Applications**

SDG&E would like to have visibility to the CAISO to develop an RC Service Agreement for entities with the current CAISO BA.