

Phase 2 - Convergence Bidding Information Release Comments on Issue Paper

Submitted By	Company or Entity	Date Submitted
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This template is offered as an easy guide for entities to submit comments; however, any participant should feel free to submit comments in any format. Submitted comments will remain posted and part of the record for this stakeholder process, unless participants expressly ask that their comments not be posted.

Phase 2 Stakeholder comments should be submitted to: Phase2CB@caiso.com

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**Questions for Stakeholders
Phase 2 - Convergence Bidding Information Release**

1. What information should the ISO post on convergence bids and why?

The timely posting of virtual bidding day-ahead market results is just as important as the posting of the current physical market results. At a minimum, when day-ahead market results are released, the ISO should publish net, cleared virtual bids at each Pnode, including interties. By “net”, we mean the net hourly volume of cleared virtual supply and demand bids at a specific point. This is the same position supported by the MSC.

When virtual results are combined with the physical results from the IFM and RUC, it provides MP with a complete picture of the supply and demand position going into the operating day.

2. The MSC supports the “release at the close of the day-ahead market of the net virtual position (total virtual supply bids accepts minus the total virtual demand bids accepted) at each location,” also referred to in these questions as ‘net cleared quantities (NCQs).

- a) Specifically, how will the release of this information benefit the market? How will market participants use this information and how will this information in addition to DA and RT historical prices at the node help bidders?

When virtual results are combined with the physical results from the IFM and RUC, it provides MP with a complete picture of the supply and demand position going into the operating day.

- b) Could this information be harmful to the market? Could it encourage poor bidding strategies? Might the posting of NCQs discourage some MPs from submitting bids or offers to the market resulting in a loss of liquidity?

Not releasing the information on virtual position has more potential for harm.

3. Should the California ISO adopt the MISO approach? Explain. Of the other approaches described in Section 4 of the issue paper, what are advantages and disadvantages of each ISO’s approach?

4. In the event stakeholders recommend an alternative summary of virtual trading activity, stakeholders should provide a sample table or illustration of their recommended approach.

5. Additional Comments?

None.