Stakeholder Comments Day-Ahead Market Enhancements Phase I: Fifteen-Minute Granularity

February 28, 2019 Third Revised Straw Proposal

Submitted by	Company	Date Submitted
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The Sacramento Municipal Utility District (SMUD) appreciates the opportunity to comment on the CAISO's Day-Ahead Market Enhancements (DAME) Phase I Third Revised Straw Proposal, dated February 28, 2019 (Proposal). SMUD, as an active participant in the CAISO's day-ahead market, has a direct interest in changes to this market.

As a general matter, SMUD supports the CAISO's DAME Phase I proposal. Providing more granular day-ahead scheduling will help ensure reliability and improve market efficiency as the state's resource mix continues to evolve.

SMUD has one specific comment on Section 3.3 Settlement of Regulation Energy. SMUD supports the proposal regarding settlement treatment of regulation-up and down because it recognizes the unique operational adjustments needed for resources to provide regulation. However, SMUD would like to confirm its understanding that the CAISO proposes to treat *any* imbalance from a resource that has Available Balancing Capacity (ABC) functionality as *instructed* energy.

Thank you.