

Comments of Xcel Energy
CAISO Energy Imbalance Market
Year 1 Enhancements Issues and Straw Proposal

Xcel Energy appreciates the opportunity to comment on CAISO Energy Imbalance Market Year 1 Enhancements Issues and Straw Proposal. First, Xcel would like to thank CAISO of communicating proposed enhancements and accepting stakeholder comments. Xcel comments will address four topics – transactions at boundaries, the timing issues associated with using ATC, GHG Flagging and encouraging CAISO to look at incorporating Enhanced Curtailment Calculator capabilities no later than coincident with phase 1 upgrades.

While Xcel generally agrees that differences between the protocols adopted by the ISO and the EIM entities will lead to more complex settlements and potentially other issues, it is our understanding that PacifiCorp is willing to accept new business practices that allow 15 minute offers at its interties, making the discussion moot.

Xcel Energy also believes that the potential disconnect that results from using Available Transmission Capacity (“ATC”) between financial binding base schedules being established at T-40 and transmission tagging occurring at T-20 may be problematic. Since the scheduling of transmission requests can come between the two periods, the ATC may change resulting in adjustments from the base schedules due to ATC. However there does not seem to be any clear method to resolve the difference between the two deadline periods.

We believe the proposal to apply the resource sufficiency evaluation to the BAA is appropriate and apply settlements to any imbalances.

Xcel also supports CAISO’s proposal for the GHG Flag and Cost Based Bid Adder. The proposal is a response to a directive by the Commission and will allow participating resources to opt out of being considered for EIM transfers into the ISO and modify the GHG bid adder based upon the actual compliance cost to the resource.

Finally, although not identified by CASIO as a Phase 1 issue, Xcel encourages a strong emphasis on integration into the congestion management process used by the EIM with the Enhanced Curtailment Calculator (ECC). The ECC is a tool to determine appropriate curtailment of transmission system use when overloads occur, and is being implemented at the Peak Reliability Coordinator. Use of the ECC to establish curtailment relief obligations for limiting transmission elements in the EIM, when there are material contributions to the potential overload from non-market sources, will be important to reduce the risk of revenue neutrality uplift problems in the market.