

Stakeholder Process:
Decision on Non-Credit Policies Affecting Congestion Revenue Rights

Summary of Submitted Comments

Stakeholders submitted three rounds of written comments to the ISO on the following dates:

- Round One, 8/28/2009
- Round Two, 9/15/2009
- Round Three, 11/23/2009
- Round Four, 12/30/2009

The comments compiled in this summary are from each stakeholder's most recently submitted comments.

Stakeholder comments are posted at: <http://www.caiso.com/2403/24037c20669e0.html>

Other stakeholder efforts include:

- Conference calls:
 - 8/21/2009
 - 11/16/2009
 - 12/18/2009
- In-person meetings:
 - 9/8/2009

Management Proposal	Alliance for Retail Markets (AReM)	DC Energy	PG&E	Powerex	Silicon Valley Power	SCE	SDG&E	Management Response
New process for adjusting CRR holdings to reflect load migration: transfer part of data processing to UDCs, and add dispute resolution process	Proposal with dispute resolution appears acceptable. Remaining issues can be worked out in work group.		Oppose. Management should review the entire load migration process.	Proposal is reasonable, since the ISO should not have access to individual retail customer information.	Neutral.	Requests further information on changes to data templates, and on responsibility for errors.	Favors simplifying the data submittal process. Time and effort will be required to change business systems and processes.	Current proposal is needed to reduce data risks to ISO and simplify business process. Working group will address business process. Management is considering alternatives for meeting FERC's Order 681, but more fundamental reforms will require extended stakeholder process.
New methodology for modeling and treatment of trading hubs in CRR allocation: release CRRs with trading hubs as sources, and allow annual renewal			Oppose if trading hub CRRs not eligible for renewal as long term CRRs.	No objection to creating trading hub CRRs. Opposes renewal of trading hub CRRs.	Supports creating trading hub CRRs. Opposes renewal of trading hub CRRs.	Support.	Support.	Stakeholders generally support creating trading hub CRRs but differ on renewal, annually or as long term CRRs. Annual renewal is a middle ground, for which Management has addressed technical details. Long term renewal needs further stakeholder process.
Elimination of multi-point CRRs, while maintaining two tiers in monthly CRR allocation			Neutral. Elimination of multi-point CRRs should occur concurrently or after the changes concerning the monthly tiers.	Does not support. Powerex can only participate in the CRR auction, where multi-point CRRs bids for multiple paths while limiting its cleared amount of CRRs.	Support.	Support.	Support.	Management expects the affected changes to be effective at the same time. Management understands Powerex's concern but believes that the balance of all comments, and benefits of other enhancements that require eliminating multi-point CRRs, justify removal of the multi-point function.

Management Proposal	Alliance for Retail Markets (AReM)	DC Energy	PG&E	Powerex	Silicon Valley Power	SCE	SDG&E	Management Response
Refinement of tiers in monthly allocation		Support.	Support. Improvement is needed in the timeline for the review of monthly full network model.		Support. Sub-LAPs should also be allowed in tier 2 of the annual allocation process.	Support.	Support would require first implementing weighted least squares optimization (which management is also proposing).	Management agrees to allow sub-LAPs in tier 2 of the annual allocation process. The schedule of the monthly full network model is based on reporting of planned transmission outages, which Management will review in future phases of the stakeholder process.
New methodology (weighted least squares optimization) to distribute reductions among CRR allocations when mitigating congestion			Oppose. Could support after further analysis through simulations and benefit/cost analysis, if implemented simultaneously with refinement of tiers in monthly allocation.	Support to extent it does not compromise future enhancements including auction revenue rights.	Neutral. Concerned that WLS may favor larger market participants at the expense of smaller ones.	Support as proposal for further evaluation.	Support.	Management will inform stakeholders of implementation details and results of testing, before placing changes in production, and will address any issues that arise. Management also continues to consider longer term enhancements, including auction enhancements, which will require an ongoing stakeholder process.