

## Stakeholder Comments Template

### Subject: Payment Acceleration Straw Proposal

This template has been created for submission of stakeholder comments on the following topics in regards to Payment Acceleration. Upon completion of this template please submit (in MS Word) to [pacceleration@caiso.com](mailto:pacceleration@caiso.com). Submissions are requested by close of business on

Submitted by	Company	Date Submitted
<b>Caroline Emmert</b> <b>Settlements Coordinator – West Market</b>	<b>ACES Power Marketing</b>	<b>November 13, 2008</b>

Thursday, November 13th, 2008.

Please submit your comments to the following questions for each topic in the spaces indicated.

#### 1. Settlement Timeline

Which of the following two options do you prefer for publication of Settlement statements?

	Timeline
Option #1	T+7B - Initial T+38B - 1 <sup>st</sup> true-up T+76B - 2 <sup>nd</sup> true-up T+18M - 3 <sup>rd</sup> true-up T+35M - 4 <sup>th</sup> true-up
Option #2	T+7B - Initial T+38B - 1 <sup>st</sup> true-up T+51B - 2 <sup>nd</sup> true-up T+18M - 3 <sup>rd</sup> true-up T+35M - 4 <sup>th</sup> true-up

Please provide comments on these options:

- APM supports Option 2. The initial calendar example submitted by APM incorrectly reflected T+55B, but a new version is being submitted with this document that follows the Option 2 timeline. APM also supports invoice methodology that does not comingle accounting months or Invoice types on a single invoice. Initial invoicing can be done bi-monthly (Statements for the 1<sup>st</sup> through 15<sup>th</sup> and Invoice for that period published on the same day as the Statement for the 15<sup>th</sup>, then 16<sup>th</sup> through the end of the month with Invoice for that period published on the same day as the end of the month date Statement); subsequent Recalculation Invoices should encompass a full month and publish on the same day as the last Statement for that month.

## 2. Interest Payments

Do you support CAISO's proposal of applying interest on deviations between the Initial and first true-up statements?

Do you prefer applying interest to subsequent true-ups?

- Since the majority of SC's are concerned with potential "gaming" by LSE's who may submit inaccurate estimates of load meter data in an attempt to get a temporary "free-ride" for the energy actually consumed, APM suggests that Interest charges be assessed only on Uninstructed Deviation amounts that change between the Initial and each subsequent Recalculation Invoice.

## 3. Invoicing

Please provide detailed examples of your preferred invoicing solution.

- See comments and submitted sample calendars for APM invoicing preferences. APM supports the publication of Invoices on the same day as the last statement for the invoicing period, as opposed to the 1<sup>st</sup> and 3<sup>rd</sup> Tuesday as proposed by the CAISO.

## 4. Meter Data Substitution

For meter estimation process, when adjusting DA Scheduled Demand by an incremental amount to reflect Actual Load, the amount of adjustment will not exceed 15% of the DA Scheduled Demand. For example, if SC1's DA Scheduled Demand = 100 MW, the maximum estimation adjustment would be 15 MW. Therefore, SC1's Estimated Metered Demand used in the T+7B Settlement = 115MW (maximum).

*Note: The proposed meter estimation methodology will never negatively adjust the DA Scheduled Demand. So in this example minimum estimation value = 100 MW, maximum estimation value = 115MW.*

- Amendment 72 requires that LSE's submit forecasted, preferred and actual load data that does not exceed a 5 percent tolerance band between the forecasted and the actual. Failure to submit that report or exceeding the tolerance can subject the LSE to penalties. For consistency and to enable LSE's to be in compliance with Amendment 72 requirements, APM recommends that the CAISO apply that same percentage to metered load estimates. All LSE's should be required to submit by T+5B estimated meter data using historical data or other estimation methodology that is in line with good utility business practices.

## 5. Other Comments?

- APM appreciates the opportunity to be involved in the planning, design and implementation of Payment Acceleration, and would again like to reiterate that it is important to the majority of stakeholders that Statement Publication and Invoicing methodologies follow monthly or bi-monthly timelines, and do not mix or comingle accounting months or invoice types on a single invoice.