

Stakeholder Comments Template

Subject: Exceptional Dispatch White Paper and Meeting

Submitted by	Company	Date Submitted
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This template has been created to help stakeholders submit written comments on topics related to the December 2, 2009 Exceptional Dispatch White Paper and December 9, 2009 Exceptional Dispatch Stakeholder Meeting. Please submit comments (in MS Word) to kjohnson@caiso.com no later than the close of business on December 30, 2009.

Please share your views on the topics listed below.

1. Single Biggest Issue

If you have an issue or issues with exceptional dispatch, what is your single biggest issue? Do you see this issue as persistent, or does it come and go? Do you have a proposed solution for this issue?

Please see comments below (#5)

2. Product Attributes

In your view, what constitutes a product? What factors or circumstances are necessary for a product to exist?

No comment.

3. Shortcomings of Existing Products

To the extent that you believe that a new product (or products) is needed, to what degree do existing products such as Resource Adequacy capacity and Interim Capacity Procurement Mechanism capacity already cover the need, and, if not, what is not covered?

No comment.

4. Visibility of Exceptional Dispatch

What are your thoughts on incorporating more constraints and other operational elements into the operational software, such as the Minimum Online Capacity Constraint versus continuing to perform exceptional dispatch that may provide a different level of visibility than exceptional dispatch?

See comments below on outage driven exceptional dispatch.

5. Other Comments

Are there additional comments that you would like to provide?

DC Energy encourages the ISO to continue refining its approach to incorporating outages in the DA and RT markets. As outages have driven large amounts of pre-DA market dispatch, we suggest the ISO require longer lead times for submission of long duration transmission outages, so that the ISO is able to better assess how to incorporate those significant outages into the DAM. Clearly this would be inappropriate for short-term or forced outages, but if anything is planned to run for an extended period, the ISO should strive to take steps necessary to avoid exceptional dispatch.

Additionally, for outages that can't be incorporated in the IFM and lead to high amounts of exceptional dispatch, the market would benefit from further information, specifically, the exact details as to why the particular condition couldn't adequately be met by thermal constraints, or the secondary contingencies that would need to be modeled that aren't at present. Ideally, logging this information and distributing it to the market (potentially limited to participants as Critical Energy Infrastructure Information) would allow the ISO to identify general trends in this dispatch and thus the highest leverage upgrades to their modeling, and further, would allow participants to better understand core elements of the market solutions.

Finally, DC Energy reiterates its longstanding belief that when the ISO fails to provide transparent price signals, the whole market suffers. Creating out-of-market payment streams dampens competition and increases uncertainty for participants. For a long-run sustainable market, the ISO needs to ensure that pricing clearly reflects the underlying value of services and costs in the market.