

Stakeholder Comments Template

Subject: Payment Acceleration Proposal

Submitted by	Company	Date Submitted
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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. Submissions are requested by close of business on October 2nd, 2008.

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

1. Bifurcation of DA/RT Settlements

During the Payment Acceleration Stakeholder meeting on August 19th, 2008, Calpine presented a proposal to bifurcate the DA/RT settlements (proposal was posted for MP review on 8/20/08). CAISO is conducting an impact analysis on this proposal and to date has concluded the following:

- No legal or policy issues exist that would prevent a DA/RT market settlement bifurcation.
- System and process impacts exist, however; CAISO feels they are manageable.
- Due to system/process impacts, implementation would occur post MRTU go-live.
- Complexity of Meter Estimation is eliminated.

Please provide comments on any impacts this proposal would have on your systems and/or processes.

[MID endorses the bifurcation of DA and RT market settlements.](#)

2. Methodology for Estimating Meter Data

CAISO held a conference call on September 18th, 2008 to discuss potential methodologies for estimating Meter Data at T+5B absent polled or SC submitted data availability. Options discussed are listed below:

- Using DA IFM Schedules Only
- Using DA IFM + adjustment based on CAISO Actual Load

- Use current Credit Liability Meter Data estimation (uses the IFM DA schedule and adder of +/- 10% factor (or other % Factor).

Due to potential unintended consequences of introducing an additional highly technical and complicated aspect to an already highly technical and complicated market, MID does not currently endorse using estimated meter data at the onset of the Payment Acceleration Proposal. Furthermore, the current settlement schedule for real time activities may incent more participation in the ISO's DA market if the revenues collected from that market are distributed in an expedited fashion.

3. Guidelines for SC submitted T+5B Meter Data

- "measurement file" guideline vs. SQMD requirement
- Determining accuracy for SC submitted "measurement file" or SQMD
- Responsibilities for compliance for SC submitted "measurement file" or SQMD

See answer to question above.

4. In cases where Meter Data estimation is used, do you support applying interest charges on the variation between initial & true-up statements?

MID does not support applying interest charges to the Payment Acceleration Proposal at this time. It is an unnecessary complication that does not need to be introduced in the near term.

5. Implementation Schedule

Would you support a manual invoicing process to accelerate payments and cash clearing on an interim basis until the final Payment Acceleration solution can be implemented post MRTU go-live? The manual process would not require any SaMC external interface changes. It would be based on pre-payment of DA charge codes and be reflected on the SaMC invoice.

Due to the potentially high financial liability amounts anticipated to occur with the implementation of MRTU, MID supports an interim manual invoicing process to be implemented concurrent with MRTU.

6. Invoicing Options

Please comment on the following invoice preference:

- Monthly on a fixed date - i.e.) 20th of every month
- Proposed – 3rd Tuesday of each month
- Semi-Annual or Weekly

Mixing Initial & True-up Statement across Different Accounting Months on same invoice.

MID supports invoicing which is consistent with the bilateral market, typically the 20th of each month.

7. Other Comments?

(Submit Comments Here)