



Comments of Pacific Gas & Electric Company 2020 Draft Policy Initiatives Roadmap

Submitted by	Company	Date Submitted
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Pacific Gas and Electric Company (PG&E) offers the following comments on the California Independent System Operator's (CAISO) 2020 Draft Policy Initiatives Roadmap. Overall, PG&E agrees with CAISO's stated drivers in shaping the policy roadmap for 2020 but would like to highlight key initiatives that should be prioritized and thus not delayed. This is especially important to keep in mind given that PG&E believes the proposed plan is overly ambitious. In case CAISO needs to make tradeoffs, CAISO should prioritize 1) System Market Power Mitigation, 2) RA Enhancements, 3) CPM Soft Offer Cap, and 4) Day-Ahead Market Enhancements.

1. PG&E requests CAISO prioritize and expedite the System Market Power Mitigation initiative and begin the usual stakeholder process by publishing a straw proposal as soon as possible.

PG&E appreciates the work that CAISO has done thus far on System Market Power Mitigation but urges CAISO to prioritize this initiative by beginning the usual stakeholder process by publishing an issue paper and a straw proposal as soon as possible. PG&E also recommends that CAISO expedite this initiative so that it can be implemented by summer of 2020. If nothing else, CAISO should aim to develop interim solutions ready to be implemented quickly in case system market power conditions worsen during the summer of 2020.

2. PG&E's other priorities include RA Enhancements, CPM Soft Offer Cap, and Day-Ahead Market Enhancements.

Besides System Market Power Mitigation, PG&E believes RA Enhancements, CPM Soft Offer Cap, and Day-Ahead Market Enhancements are the most consequential initiatives for CAISO to focus on next year. For the CPM Soft Offer Cap initiative, PG&E urges CAISO to consider capacity market power mitigation to address as part of the CPM process. For Day-Ahead Market Enhancement, PG&E would like to echo its previous recommendation that CAISO takes its time to work through a new proposal complete with a clear problem statement, description of proposed changes with detailed mathematical formulation, and an explanation of how the proposed Day-Ahead Market design interacts with the Real-Time Market, including impact to settlement rules.¹

3. PG&E believes the plan for 2020 is overly ambitious and should prioritize initiatives mentioned above in case tradeoffs are necessary.

¹ [PG&E Comments on Day Ahead Market Enhancements August 13th Working Group](#)

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PG&E believes CAISO's 2020 plan with 15 initiatives is too ambitious. PG&E would like to echo its request from last year for CAISO to provide some sort of classification of how intensive initiatives are to implement. This information would allow stakeholders to better understand where CAISO is planning to focus time and envision how CAISO will balance these initiatives.² If CAISO needs to make tradeoffs among initiatives for 2020 implementation, CAISO should prioritize the initiatives mentioned above.

Given that priorities often change throughout the year, PG&E would also like to request CAISO to provide an updated roadmap on quarterly basis.

² [PG&E Comments on CAISO's 2019 Draft Three-Year Policy Initiatives Roadmap and Annual Plan](#)