Stakeholder Comments on

CRR Issues

Submitted by (name and phone number):	Company or entity:	Date Submitted:
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The CAISO requests additional written comments on the Straw Proposals for various CRR-related issues discussed during the April 21, 2008 conference call.

The Straw Proposal Papers and presentations are posted at: <u>http://www.caiso.com/1b8c/1b8cdf25138a0.html</u>

This template is offered as an easy guide for entities to submit comments; however, any participant should feel free to submit comments in any format. Submitted comments will be posted on the CAISO website unless participants expressly ask that their comments not be posted.

Stakeholder comments should be submitted by close of business on Monday, April 28, 2008 to: <u>CRRComments@caiso.com</u>

Please offer any comments on the following Straw Proposals:

- A. CRR Year 2 Release Process
- 1. Using Season 1 2007 as the historical reference period for verifying Season 1 source nominations in the next annual CRR release process.

Powerex has no comments at this time.

2. Treating CRR Seasons 2 and 3 as "Year 2" seasons that are eligible for the Priority Nomination Process in the next annual CRR release process.

Powerex has no comments at this time.

3. Confirming that Season 4 CRRs will be eligible for the Priority Nomination Process in the next annual CRR release process.

Powerex has no comments at this time.

4. Confirming that Q1 LT-CRRs should be treated under the "Year 1" nomination limit, and Q2-4 LT-CRRs should be treated under "Year 2" nomination limit in the next annual CRR release process.

Powerex supports this provision.

B. CRR MW Granularity

5. Adopt the 0.001 MW level (1kW) for the next annual release of CRRs.

As previously stated, Powerex does not support the administrative burden associated with this proposal.

C. 30-Day Rule on Outage Scheduling

6. Modifying the 30-Day Rule so that outages initiated and completed within a 24-hour period are exempt (instead of one day).

Powerex supports this provision.

7. Eliminating the exemption criteria that are detailed in Section 10.3.1 of the BPM for CRRs until actual LMP market experience unfolds.

Powerex has no comments on this issue at this time.

8. Developing an analytical methodology for assessing the impacts of outages on CRR revenue adequacy, and assessing with stakeholders whether revisions to the 30-day rule exemption policy are appropriate.

Powerex supports this initiative.

D. Monthly CRR Eligibility for LSEs Without Verifiable Load Forecasts

9. In the absence of a verifiable load forecast, using the historical load of the same month from the previous five years.

Powerex supports this provision.

E. CRR Credit Policy Enhancements

10.

a. Disallow netting between allocated CRRs and auctioned CRRs in the credit holding requirement calculation.

Powerex supports this enhancement.

b. Require LSEs selling allocated CRRs to maintain sufficient credit coverage to cover the counterflow CRRs that offset the CRRs being sold.

Powerex supports this enhancement.

11. Including historical LMPs (a year after MRTU start-up) to improve the credit requirement for holding short-term CRRs.

Powerex supports the use of historical LMPs to improve credit requirements.

12. Adding a full credit margin to the bidding requirement for participation in CRR auctions.

Powerex supports this enhancement.

F. Other CRR Issues

13. Does your company or entity have further comments on these various CRR issues?

Powerex has no other comments at this time.