

Stakeholder Comments Template

CASIO White Paper: Setting IFM Initial Conditions to Address Cycling of Generating Units

Submitted By (Name & phone number)	Company or Entity	Date Submitted
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Southern California Edison Company (“SCE”) would like to thank the California Independent System Operator Corp. (“CAISO”) for providing the opportunity to submit comments on the “White Paper for Setting IFM Initial Conditions to Address Cycling of Generating Units, dated June 3, 2010. SCE is pleased that CAISO is addressing the multi-day commitment problem using a phased approach. This first step allows CAISO to implement an incremental enhancement quickly without changing software to accommodate the effort. Overall, the proposal is sound, but SCE would like to address a few concerns.

1) DAM Pre-processes

The current proposal states that CAISO market systems will perform a check of real time SiBR bids for current TD before running DAM for TD+1. The mechanism is described to only look at those resources economically (CAISO) committed. A partial day self-commitment will not trigger the criterion during the pre-process. Is the reason due to software limitations? If so, SCE would like CAISO to clarify the mechanism used for performing this check. If the reason is not due to software limitations, please explain why self committed resources are excluded from this pre-commitment. If a MP has new price expectations that would make the resource economic for the TD+1 run, and would like to self schedule the remainder of the day, the market would benefit from optimizing the resource without start-up costs.

2) Non-Binding Self Schedules

If an SC self schedules to bridge the commitment through HE 24 and the resource gets committed in the TD+1 run, we agree with CAISO that the self schedules need not be binding. The market systems will make the optimization decision to keep the resource on if economic to do so.

3) Over-Generation Provision

If CAISO determines that an over-generation condition would result from the aggregation of all self schedules, CAISO should have the right to deny requests. Pro-rata

designations for Pmin commitment would be difficult to do, therefore, CAISO should deny all requests to remain fair.

4) Exceptional Dispatch (ED)

SCE would like CAISO to use EDs only for reliability reasons. Using EDs for unit commitment in this case would be for economic reasons at the SC's request. Exceptional Dispatches decisions are reserved for the judgment of the CAISO operator, not SC.

5) Market Simulation

SCE requests that CAISO allow testing in the STAGE environment for up to two weeks prior to implementation.