

Comments of Seattle City Light on CAISO 2020 Revised Draft Policy Initiatives Catalog

Submitted by	Company	Date Submitted
Emeka Anyanwu Energy Innovation & Resources Officer (206) 684-3718	Seattle City Light	August 29, 2019

Seattle City Light (Seattle) is the tenth largest consumer owned electric utility in the nation, providing electrical service to more than 415,000 residential, commercial, and industrial customers in the City of Seattle, Washington and six adjacent cities. Seattle owns and operates hydroelectric resources with approximately 2,000 MW of flexible, fast-ramping capacity. We regularly transact in the wholesale energy and transmission markets. Seattle executed an Implementation Agreement with the California Independent System Operator (CAISO) and intends to begin participating in the Western Energy Imbalance Market (EIM) in April 2020.

Seattle City Light (SCL or Seattle) appreciates the opportunity to submit comments on CAISO’s Revised Draft 2020 Policy Initiatives Catalog. Seattle continues to support the majority of CAISO’s planned policy initiatives and emphasizes its support for the Day-Ahead Market Enhancements, Resource Adequacy Enhancements and EDAM pending the results of the feasibility assessment. Seattle also reiterates the recommendation made in our March 2019 comments on the 2020 Policy Initiatives catalog that EDAM be classified under the primary authority of the EIM Governing Body.

Seattle encourages CAISO to continue considering the interplay between the day-ahead market enhancements initiative and other initiatives such as the RA enhancements and EDAM. Given the that enhancements to the day-ahead market should be informed by the design of the extended day-ahead market, it may be wise to consider merging these efforts if/when EDAM commences or pausing DAME until the EDAM stakeholder initiative commences.

In addition, Seattle supports a number of key discretionary initiatives included in the revised catalog and recommends they be prioritized. Specifically, we support Settlement of Non-Conforming Loads and EIM Base Schedule Submission Deadline initiatives, for the reasons outlined in our March 2019 comments on CAISO’s Draft 2020 Policy Initiatives Catalog. In addition, we support the Real-Time Market and EIM Refinements initiative, and in particular,

the added scope for this initiative to include a review of the real-time settlement changes such as settlement charge codes, uplift payments, offsets and loss calculations to ensure they are consistent with cost allocation principles. The Real-Time Market Neutrality Settlement initiative implemented solutions to address settlement cost causation concerns, however, Seattle and other stakeholders encouraged CAISO to explore these issues in more depth in a future initiative. We are pleased to see this captured in the Real-Time Market and EIM Refinements initiative. Seattle recommends that additional scope also be added to the Multi GHG Area Initiative to explore whether the EIM GHG accounting solution adopted in the Real-Time Market Neutrality Initiative is the best solution in a scenario where multiple EIM entities are participating in different state GHG programs. Seattle encourages CAISO to prioritize the Real-Time Market and EIM Refinements and Multi GHG Area Initiative in the 2020 Policy Initiative Roadmap.

Thank you for the opportunity to comment and if you have any questions please contact Lea Fisher at lea.fisher@seattle.gov (206) 684-4546.