## **Stakeholder Comments Template**

Submitted by	Company	Date Submitted
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Please use this template to provide your comments on the Energy Imbalance Market Revised Governance Proposal and Draft Charter posted on October 4. Submit comments to EIM@caiso.com. Comments are due October 25, 2013 by 5:00pm

Revised Governance Paper:

http://www.caiso.com/Documents/RevisedGovernanceProposal-WhitePaper-EnergyImbalanceMarket.pdf

Draft Charter:

http://www.caiso.com/Documents/TransitionalCommitteeDraftCharter-EnergyImbalanceMarket.pdf

Please provide your comments following each of the topics listed below:

1. Do you support the sector definitions and the nomination and ranking process for the Transitional Committee? Please explain the basis for your views.

Comments: No. The sector definitions exclude competitive retail providers, namely electric service providers (ESPs) and community choice aggregators (CCAs). ESPs and CCAs are load-serving entities (LSEs), which each reliably serve their loads, meet resource adequacy and renewable portfolio standards requirements, and are active buyers and sellers in CAISO markets. For example, ESPs serve 13% of the retail customers in the service areas of the investor-owned utilities.<sup>2</sup> The Revised Governance Proposal provides no

<sup>&</sup>lt;sup>1</sup> AReM is a California non-profit mutual benefit corporation formed by electric service providers that are active in the California's direct access market. This filing represents the position of AReM, but not necessarily that of a particular member or any affiliates of its members with respect to the issues addressed herein.

<sup>&</sup>lt;sup>2</sup> See most recent CPUC "Supplemental Direct Access Implementation Report," dated August 15, 2013, available at: <a href="http://www.cpuc.ca.gov/PUC/energy/Retail+Electric+Markets+and+Finance/Electric+Markets/Direct+Access/thru2">http://www.cpuc.ca.gov/PUC/energy/Retail+Electric+Markets+and+Finance/Electric+Markets/Direct+Access/thru2</a> 008.htm

justification for excluding these entities, which represent a significant segment of the California market. Accordingly, AReM requests that the definition of Sector #3, "Generators and Marketers," be revised as follows to ensure that competitive retail providers are represented within the Sector definitions:

*Generators and marketers*: Generators and marketers are entities that engage in the wholesale <u>or retail</u> purchase or sale of electric energy or capacity. Entities may participate in this sector without regard to the fuel source of the underlying generation.<sup>3</sup>

2. Do you support the roles identified for the Transitional Committee and the decision-making processes for the committee outlined in the revised governance proposal and draft charter? Please explain the basis for your views.

Comments: AReM has no comments on this topic at this time.

3. Do you have any comments on the draft charter? Please explain.

Comments: AReM has no comments on the draft charter at this time.

4. Do you have any additional comments not covered above on the changes made in the revised governance proposal?

Comments: AReM has no additional comments at this time.

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<sup>&</sup>lt;sup>3</sup> Revised Governance Proposal, p. 12.