

## Stakeholder Comments Template

### Subject: Market Initiatives Roadmap – Preliminary Results of Detailed Ranking of High Priority Market Enhancements

Submitted by	Company	Date Submitted
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The ISO is requesting written comments on the *Preliminary Results of the Detailed Ranking of High Priority Market Enhancements* published on the ISO website and discussed on the August 28, 2009 conference call.

BAMx submitted comments on the preliminary ranking of the LAP Granularity issue recommending that it should be changed from a high-ranked item with a score of 34 to a low-ranked item with a score of 19. Similarly, PG&E and SCE argued that this issue should be low-ranked with a score of 16. NCPA commented that LAP Granularity should be low or moderate ranked. The CPUC commented that the LAP Granularity ranking was too high and premature, that analysis of market results and demand response is needed, and that there are State law conflicts and jurisdictional issues to be resolved. Based on the comments submitted on the LAP Granularity issue and other issues, BAMx anticipated that when CAISO published its Preliminary Results of the Detailed Ranking of High Priority Market Enhancements, the LAP Granularity issue would not be ranked, since it would not have passed the high level assessment as a high priority item.

Instead, CAISO's Preliminary Detailed Ranking Results include LAP Granularity as the 3<sup>rd</sup> highest ranked item. BAMx concludes from this detailed ranking that CAISO still considers LAP Granularity to be a very high priority item, despite the contrary assessment of market participants representing a significant portion of the load and resources within CAISO's Balancing Authority Area. CAISO offered no explanation for the changes it made from its 2008 rankings for this item (which were Low) and did not address the comments raised by the parties noted above.

BAMx urges CAISO to reconsider its assessment of this issue, and to focus its limited resources on other issues that are likely to have much greater benefit and come at much lower cost than increased LAP Granularity.

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<sup>1</sup> BAMx members are the Cities of Santa Clara and Palo Alto, and Alameda Municipal Power.