

**Comments on
CAISO's June 15, 2016
Commitment Cost Enhancements Phase 3 (CCE3) Workshop**

July 7, 2016

On June 15, 2016, the CAISO held a CCE3 Workshop. The California Department of Water Resources State Water Project (CDWR) would like to comment on the proposed agenda for the next meeting.

CDWR continues to have concerns over the methodology for determining negotiated opportunity costs. CDWR is primarily concerned that not all of its operating limitations can be quantified. For example, CDWR has to take into account complex environmental and ecological restrictions, daily water delivery requirements and adjustments, and seasonal flood control requirements.

For the next meeting, CDWR also seeks updates on the following:

- 1) Inputs and/or parameters needed for calculating negotiated opportunity cost.
- 2) In the ULDP template, what's the significance of Limitation Number when Use Limit Type is selected as "OTHER"? In particular, what will be the unit of Limitation Number, if any?