

Stakeholder Comments Template

Subject: Market Initiatives Roadmap – Draft Final Proposal (Detailed Ranking)

Submitted by	Company	Date Submitted
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NCPA is submitting these comments on the CAISO *Draft Final Proposal – Detailed Ranking of High Priority Market Enhancements* published on September 18, 2009. These comments are focused on the Load Aggregation Point Granularity initiative. The lack of comment on the balance of initiatives included within the draft final proposal should not be interpreted as support or non support for such initiatives.

- **Load Aggregation Point Granularity**

As NCPA has stated in past comments, NCPA believes the high ranking currently assigned to this initiative is overstated. CAISO explains in the draft final proposal that this initiative has increased in rank from low to high in part because of FERC directive and the impact this initiative will have on the implementation of Demand Response. NCPA recognizes that FERC has directed CAISO to implement granular settlement of load post MRTU implementation, but FERC (for good reason) specifically provided three (3) years to implement this change. The three (3) year period was meant to provide sufficient time to review actual MRTU operations and pricing to determine what impact such change would have on market participants. This impact may be significant for Load Serving Entities who are located within congested regions of the CAISO grid. This impact must be considered and weighted against the assumed benefits claimed by CAISO. There is simply insufficient data available at this time to fully assess the impact this initiative will have on market participants. NCPA strong urges CAISO to delay implementation of Load Aggregation Point Granularity until sufficient data has been made available for review. Many market participants representing a significant portion of load within the CAISO Balancing Authority Area have provided similar comments requesting the ranking for this initiative be reduced to low or medium¹. NCPA concurs with these market participants and believes that the Load Aggregation Point Granularity initiative should be reduced from its current high ranking to a low/medium ranking in the CAISO Market Initiatives Roadmap process.

¹ Comments submitted by SCE, PG&E, BAMx and CCSF.