

## Stakeholder Comments Template

### Subject: 2012 Grid Management Charge

Submitted by (name and phone number):	Company or Entity:	Date Submitted:
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DC Energy submits these brief comments on the CAISO proposal to add a new charge to CRR holders associated with the 2012 Grid Management Charge (GMC) process. DC Energy believes that CRR market participants should bear an appropriate share of the GMC costs as CRR market participants share in the benefits of the CAISO markets.

DC Energy agrees with the statements of SCE and CAISO in the November 2010 Straw Proposal:

“there should always be a final check on GMC rates, and a continuous monitoring, to ensure that GMC rates are not unduly negatively affecting market outcomes. The ISO agrees that a properly designed GMC should seek to do no harm (negatively affecting market outcomes) avoid imposing negative incentives (address negative market behavior such as deviations), and is simply a mechanism to recover ISO revenue requirements in a manner which minimizes market impacts.”

DC Energy appreciates CAISO’s recognition of an appropriate transition period and introducing, for the first time, a CRR bid and award charge beginning in 2012. DC Energy also believes CAISO has met its stated goal of adhering to certain Guiding Principles<sup>1</sup>, as presented at the December 13<sup>th</sup> Stakeholder meeting.

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<sup>1</sup> Cost causation, focus on use of services, transparency, predictability, forecastability, flexibility and simplicity.