

Stakeholder Process: Decision on Circular Scheduling

Summary of Submitted Comments

Stakeholders submitted three rounds of written comments to the ISO on the following dates:

- Round One, 7/18/2011
- Round Two, 9/13/2011
- Round Three, 2/22/2012

Stakeholder comments are posted at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/CircularScheduling.aspx>

Other stakeholder efforts include:

- Conference calls:
 - 7/11/2011
 - 9/6/2011
 - 2/15/2012
 - 3/12/2012

Topic	Stakeholders Stating Support	Stakeholders Stating Opposition	Stakeholders Not Stating Positions	Management Response
<p>Limitation on schedules by single scheduling coordinator with source and sink in same balancing area</p>	<p>Brookfield Energy, Calpine, Citigroup, JP Morgan, Macquarie Energy, Morgan Stanley, NCPA, PG&E, Powerex, SCE, Shell Energy:</p> <p>Support</p>	<p>WPTF:</p> <p>Oppose</p>		<p>In proposing to make the post-MRTU market rules more explicit, Management is responding to stakeholder requests. While consideration of tariff provisions applicable to multi-SC schedules has been contentious, there has been little debate about applying such rules to single-SC circular schedules.</p>
<p>Limitation on schedules by multiple scheduling coordinators with source and sink in same balancing area, subject to threshold of scheduling activity before applying settlement rule</p>	<p>NCPA, PG&E, Powerex:</p> <p>Support</p> <p>SCE generally supports proposal but requests ongoing monitoring to adjust threshold</p>	<p>Brookfield Energy, Calpine, Citigroup, JP Morgan, Macquarie Energy, Morgan Stanley, Shell Energy, WPTF:</p> <p>Oppose</p>		<p>Through the course of this stakeholder process, Management explored alternative versions of market rules applicable to multi-SC schedules. The proposal being presented to the ISO Board differs from previous alternatives by continuing to monitor multi-SC schedules, and considering rules applicable to multi-SC schedules only if operational impacts become more critical.</p>
<p>Use of settlement rule rather than rejecting electronic tags (to the extent limitation on schedules is supported)</p>	<p>Calpine, JP Morgan, PG&E:</p> <p>Support</p> <p>SCE generally supports proposal but requests ongoing monitoring to adjust threshold</p>	<p>Brookfield Energy, Macquarie Energy, Powerex:</p> <p>Prefer rejection of electronic tags</p>	<p>Citigroup, Morgan Stanley, NCPA, Shell Energy, WPTF:</p> <p>No position stated</p>	<p>Management does not favor rejecting the tags for circular schedules because doing so could impact other market participants. The proposed settlement rule will remove financial incentives for circular scheduling, without imposing impacts on other market participants.</p>
<p>Congestion revenue rights “claw-back” (to the extent limitation on schedules is supported)</p>	<p>JP Morgan, Macquarie Energy, Morgan Stanley, PG&E, Powerex, SCE:</p> <p>Support</p>		<p>Brookfield Energy, Calpine, Citigroup, NCPA, Shell Energy, WPTF:</p> <p>No position stated</p>	<p>The congestion revenue rights “claw-back” provision is part of the removal of financial incentives for circular scheduling, and has not been controversial.</p>