

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

**California Independent System)
Operator Corporation)**

Docket No. ER25-94

**MOTION TO INTERVENE AND COMMENTS
OF THE DEPARTMENT OF MARKET MONITORING
OF THE CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION**

Pursuant to Rules 212 and 214 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“FERC” or “Commission”), 18 C.F.R. §§385.212, 385.214, the Department of Market Monitoring (“DMM”), acting in its capacity as the Independent Market Monitor for the California Independent System Operator Corporation (“CAISO”), submits this motion to intervene and comment in the above-captioned proceeding.

I. SUMMARY

In this filing, the CAISO seeks to enable inter-scheduling coordinator (inter-SC) trades of energy in balancing areas participating in the Western Energy Imbalance Market (WEIM) and the Extended Day-Ahead Market (EDAM). DMM supports the extension of inter-SC trades to other balancing authority areas outside the California ISO (CAISO) balancing authority area, as this will allow for better integration of bilateral markets across the West, and will provide additional transparency and visibility into these bilateral activities.

II. COMMENTS

DMM supports extending inter-SC trade functionality for energy to balancing authority areas outside of the CAISO balancing authority area

Inter-SC trades serve as a voluntary settlement mechanism that can facilitate contractual arrangements between scheduling coordinators, such as bilateral power purchases. Currently, the three different types of inter-SC trades, (1) energy, (2) ancillary services, and (3) Integrated Forward Market (IFM) Load Uplift Obligations, are only supported within the CAISO balancing authority area. This initiative proposes extending the ability to conduct inter-SC trades of energy to entities in balancing authority areas participating in the WEIM and EDAM.

DMM supports allowing entities in WEIM and EDAM balancing authority areas to conduct inter-SC trades of energy. Allowing entities in other balancing authority areas to utilize the inter-SC trading mechanism will help integrate bilateral markets in the West, and may also provide additional transparency and visibility into these bilateral activities. This additional transparency may be particularly beneficial in the context of market monitoring to better understand the bilateral transactions in the context of the WEIM and EDAM markets.

The additional transparency stemming from allowing inter-SC trades for energy in the WEIM and EDAM markets may provide additional benefits, such as the potential for load serving entities within a balancing authority area to demonstrate a balanced portfolio in instances where the broader balancing authority area may fail resource sufficiency tests. This added transparency may provide an additional tool for balancing authority areas to better allocate financial impacts associated with failing such tests in alignment with causation.

III. MOTION TO INTERVENE

DMM respectfully requests that the Commission afford due consideration to these comments and motion to intervene, and afford DMM full rights as a party to this proceeding. Pursuant to the Commission's Order 719, the CAISO tariff states "DMM shall review existing and proposed market rules, tariff provisions, and market design elements and recommend proposed rule and tariff changes to the CAISO, the CAISO Governing Board, FERC staff, the California Public Utilities Commission, Market Participants, and other interested entities."¹ As this proceeding involves CAISO tariff provisions that would affect the efficiency of CAISO markets, it implicates matters within DMM's purview.

IV. CONCLUSION

DMM respectfully requests that the Commission afford due consideration to these comments, as it evaluates the proposed tariff provisions before it.

¹ CAISO Tariff Appendix P, Section 5.1.

Respectfully submitted,

By: /s/ Adam Swadley

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Independent Market Monitor for the
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Dated: November 5, 2024

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon the parties listed on the official service lists in the above-referenced proceedings, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, California, this 5th day of November, 2024.

/s/ Aprille Girardot
Aprille Girardot