

Stakeholder Comments

| Submitted by | Company or Entity | Date Submitted |
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Comments and Questions **Draft 2019 Cost of Service Study and 2021 GMC Update**

The City of Santa Clara, California, dba Silicon Valley Power (“SVP”) and the Modesto Irrigation District (“MID”) thank the California Independent System Operator Corporation (“CAISO”) for the opportunity to submit comments and questions in connection with the CAISO’s Draft 2019 Cost of Service Study and 2021 Grid Management Charge (“GMC”) Update, and June 24, 2020 stakeholder webconference. SVP and MID have the following two questions, which they request the CAISO to answer:

- During the CAISO’s June 24, 2020 presentation and in the Draft 2019 Cost of Service Study and 2021 GMC Update, CAISO proposes a shift in allocation from the System Operations category to the Market Services category, providing the rationale that this shift results from the “automation of services, system improvements, and process efficiencies” with regard to the System Operations functions.¹ Please elaborate on the “automation of services, system improvements, and process efficiencies” underlying the changes in the GMC service category revenue requirement allocation percentages, providing specific examples.
- During the CAISO’s June 24, 2020 presentation and in the Draft 2019 Cost of Service Study and 2021 GMC Update, CAISO raises EIM cost subcategory shifts (*i.e.*, a 16% decrease to the real-time market subcategory of the Market Services Charge, and a 11% increase to the real-time dispatch subcategory of the System Operations Charge).² CAISO explains these shifts in EIM cost subcategories as resulting from a “balancing of efforts between the market services and system operations

¹ CAISO Presentation at Slide 10; Draft 2019 Cost of Service Study and 2021 GMC Update at 3.

² Draft 2019 Cost of Service Study and 2021 GMC Update at 4.

functions and responsibilities.”³ Please provide further detail as to the reasons for the aforementioned shifts among EIM cost subcategories.

³ CAISO Presentation at Slide 13; Draft 2019 Cost of Service Study and 2021 GMC Update at 57.