

2012 Grid Management Charge Rate Design and Bill Comparisons
ISO Folsom Facility, Building 101A
December 13, 2010
10:00 a.m. – 12:00 p.m.

Attendees:

Name	Organization		Name	Organization
Via Phone:			Heather Wilson	SMUD
Brian Theaker	Dynegy		Ellen Wolfe	Resero Consulting
Bonnie Blair	Thompson Coburn		Robyn Woodbury	RCS
Bruce Bleiweis	DC Energy		Kathleen Wright	CDWR
Don Brookhyser	CAC		Tony Zimmer	NCP
Bob Caracristi	NCPA			
Mark Carlock	EDF		Present:	
David Cohen	Navigant		Mary Lynch	Constellation
Hilary Costa	Platts Newsletters		Anthony Agustin	CDWR
Kayne Coulter	Deutsche Bank		Geoff Gong	CDWR
Jeff Davis	MID		Joanne Bradley	Customized Energy
Caroline Emmert	Aces Power Marketing		Mark Smith	Calpine
Dave Faiella	Midway Sunset		Maury Kruth	FERC
Saeed Farrokhpay	FERC		Bert Hansen	SCE
Phillip Fernandez	City of Riverside		Chris Soderlund	SDG&E
Mark Frazee	City of Anaheim		Robert Kargoll	PG&E
Carl Funke	SDG&E		Sean Neal	DWG&P
Chris Gallegos	APX		Liz Lynn	WAPA
Josh Gitman	Constellation Energy		Charles Mee	CPUC
Steve Greenleaf	JPMorgan		Justin Wynne	CMUA
Steven Greenlee	CAL ISO		Mike Epstein	California ISO
Stephen Hess	Addison Mission		Charles Snay	California ISO

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Name	Organization		Name	Organization
Joyce Jenq	Shell Energy		Don Tretheway	California ISO
Gifford Jung	Powerex		April Gordon	California ISO
Natalie Karas	Duncan Weinberg		Stephanie O'Guinn	California ISO
Kolby Kettler	Citigroup		Judy Sanders	California ISO
Elden Krause	City of Anaheim			
Nancy Lee	City of Anaheim			
Cindy Leinenkugeo	City of Riverside			
Sue Mara	RTO Advisors			
Ron Matlock	Aces Power Marketing			
Jim McLellan	Morgan Stanley			
Grace McNamara	Louis Dreyfus			
Chidi Nwosu	PG&E			
John Perry	TID			
Leslie Pompel	Bonneville Power			
James Reschke	NV Energy			
Consuelo Richardson	Shell			
Michael Rosenberg	EMTRI			
Susan Schneider	Phoenix Consulting			
Masoud Shafa	WAPA			
Daniel Sparks	PCG&E			
Michelle Volk	Bonneville Power			
Steve Williams	San Diego Gas			

Questions or comments about the GMC should be directed to: GMC@caiso.com

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The following topics were covered:

- Derivation of rates for Market Services, System Operations, CRR Services, Transaction Fees and Administrative Charges
- Discussion of bill comparisons

#	Comment/Question/Suggestion	Stakeholder	CAISO Respondent	ISO's Initial Response/Views
1.	Does the volume for 591M include auction CRR's	Charles Mee	Mike Epstein	Yes
2.	Why is the inter SC charge disproportional to the bid segments?	Charles Mee	Don Tretheway Charles Snay	They are at an appropriate level based on activity. Cant directly compare the two
3.	Isn't a per bid segment charge meant to discourage market bids?	Mark Smith	Don Tretheway	Yes, to prevent fishing bids and is balancing of cost causation
4.	Are the Billing Determinates for Market Services and System Operations similar?	Mark Smith	Don Tretheway	Similar – Market Services would include all MWh awarded in DA or RT schedules, system operations is the MWh that flow
5.	Are the numbers transparent so Generation or Load can determine marginal costs?	Mark Smith	Don Tretheway	This GMC proposal makes marginal costs transparent to all
6.	What if the ISO collects more than \$195M?	Mark Smith	Debi LeVine	The ISO adjusts GMC Quarterly as necessary and refunds any excess the following year
7.	How does Generation benefit from being included in System Ops?	Mark Smith	Don Tretheway	Purpose of System Operations is to balance grid/Applies to both

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8.	How are the costs split between Market Services & System Operations?	Mark Smith	Debi LeVine	Breakout is detailed in the October meeting ABC paper
9.	This is a dramatic change which impacts contracts. Has the ISO considered a transition plan?	Mark Smith	Mike Epstein	Looking to stakeholders to provide info
10.	This amounts to almost 50 cents per MWh	Mark Smith	Don Tretheway	The bill comparisons will show how past impacts do not relate to the new structure as it is not based on behavior
11.	Will the ISO provide details of the breakout and a comparison on an aggregate basis?	Susan Schneider	Mike Epstein	Yes
12.	Is Slide 7 accurate? Does it use allocations?	Dan Sparks	Mike Epstein	Yes, it includes nominations & auctions
13.	Does the rate on slide 9 include CRR auctions?	Dan Sparks	Mike Epstein/Don Tretheway	Yes, it is included in the spreadsheet
14.	At an aggregate level, how does the new rate structure impact various customer categories?	Brian Theaker	Mike Epstein Charles Snay	SC's have their individual data and it varies widely because current GMC is behavior based
15.	Can you be more specific how behavior impacts suppliers?	Don Brookhyser	Mike Epstein	Billing Determinants are based on deviations in many charge codes
16.	What is driving some SC's having minor impacts and some having major impacts?	Don Brookhyser	Mike Epstein	Existing doesn't charge for some costs
17.	Is the new GMC for all Generators to be higher?	Don Brookhyser	Don Tretheway	Relatively Flat Increases if active in the market

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18.	Why are CRR's separated Market Services & System Ops?	Don Brookhyser	Don Tretheway	Didn't recover cost; for CRR's in current market/CRR is a stand alone cost/independent from System Ops & Market Services
19.	It appears as though there is a significant increase compared to other market charges	Don Brookhyser	Mike Epstein Don Tretheway	Follows what other Markets have/Need to research Costs associated with clearing/cost causation
20.	There are multiple ways to organize charges/Some may reconsider participation in CRR	Don Brookhyser	Don Tretheway	No cost recovery to some if unable to cover GMC cost exposure/may not want part CRR/Balancing impact
21.	Seems not matter how many times the cost is the same to run	Don Brookhyser	Don Tretheway	Billing Determinate/ Different marginal cost – re. participation in CRR/Whats an appropriate level? We're taking comments.
22.	How are market bids being calculated – Mw or sched?	Josh Gitman	Don Tretheway	Bid segment of submitted bid not Mw/ GMC rate
23.	The relation of CRR bid auction fee of \$1 does not relate to the market bid segment fee of \$0.005	Charles Mee	Mike Epstein Charles Snay	Not related Small \$ revenue requirement/meets guiding principles/welcome comments
24.	Do we accept Schedules for TORS?	Mark Smith	Don Tretheway	Yes
25.	Do we dispatch around TORS	Mark Smith	Debi LeVine	Balancing authority area
26.	What are the costs associated to TOR's?	Mark Smith	Debi LeVine	Need to know what's going on
27.	Market Software	Mark Smith	Debi LeVine Mark Rothleder	That's proposal Do after make adjustments

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28.	TOR discussion in writing?	Susan Schneider	Mike Epstein	Yes
29.	Does everyone agree that the next meeting could be just a phone call?	Mike Epstein	General	Yes – Call in
30.	Follow-up	Michael Rosenberg	Mike Epstein	Chris Kirsten will post a notice via online meeting/Respond to Chris
31.	Comments Due Jan20		Chris Kirsten	
32.	SCID – fee stays as current		Mike Epstein	
33.	Lower of Supply or Demand TOR's volume from System Operations		Charles Snay	