

**Comments of Pacific Gas and Electric Company**  
***Bidding Rules Enhancements Draft Final Proposal 1/8/2016***

<b>Submitted by</b>	<b>Company</b>	<b>Date Submitted</b>
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Pacific Gas and Electric Company (PG&E) offers the following comments on the California Independent System Operator's (CAISO) Bidding Rules Enhancements January 8<sup>th</sup> Draft Final Proposal, which aims to correct the inefficient accounting of minimum load (Pmin) costs after a minimum load rerate.

PG&E reiterates our support for CAISO's proposal to recalculate Pmin costs after a Pmin rerate based upon a portion of the resource's default energy bid (DEB) curve. As CAISO describes in the proposal, the DEB price more accurately captures the costs of the rerated incremental MW than simply scaling up the Pmin costs. PG&E believes this approach allows resources to appropriately recover costs for those rerated MWs in their Pmin costs, and corrects the existing inefficient calculation.