

## Comments of Pacific Gas and Electric Company

### *Local Market Power Mitigation Enhancements 2015 – Draft Tariff Language*

Submitted by	Company	Date Submitted
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Pacific Gas and Electric Company (PG&E) offers the following comments on the California Independent System Operator's (CAISO) Local Market Power Mitigation (LMPM) Enhancements 2015 Draft Tariff Language:

1. In previous comments on the Local Market Power Mitigation (LMPM) Enhancements 2015 Draft Final Proposal<sup>1</sup>, PG&E and other market participants expressed concerns on the impact the new LMPM approach may have on market solve time and the potential for increased frequency of market run failures. While CAISO has expressed confidence that rigorous testing before implementation will demonstrate market solve time is not an issue, given the lack of testing results thus far, PG&E feels it would be prudent for the CAISO to detail its fallback plan should unforeseen issues arise with the new approach.

PG&E feels the CAISO should detail in its FERC filing implementation plans in place to mitigate these concerns. For example, PG&E had suggested the ability for the CAISO to perform a parallel execution of the original LMPM tool to use should the enhancement fail to execute successfully or run into excessive execution times. At a minimal, CAISO should publish results from rigorous testing (large sample size) demonstrating such performance concerns are not valid.

Furthermore, PG&E feels the CAISO should identify a threshold (e.g., % of failed RTPD runs over a month period) that would trigger CAISO reverting back to the original process to serve as a safeguard as CAISO transitions into the new process.

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<sup>1</sup> Local Market Power Mitigation Enhancements 2015 Draft Final Proposal (LMPM Enhancements 2015 Draft Final Proposal), January 12, 2016:

[http://www.caiso.com/Documents/DraftFinalProposal\\_LocalMarketPowerMitigationEnhancements2015.pdf](http://www.caiso.com/Documents/DraftFinalProposal_LocalMarketPowerMitigationEnhancements2015.pdf)