



Comments of Pacific Gas and Electric Company

On Exceptional Dispatch Mitigation in Real-time Revised Draft Final Proposal

Submitted by	Company	Date Submitted
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Pacific Gas & Electric (“PG&E”) appreciates the opportunity to participate in the stakeholder process for the California Independent System Operator’s (“CAISO”) Exceptional Dispatch (“ED”) Initiative and to submit comments regarding the CAISO’s October 30th Revised Draft Final Proposal.

Given that the CAISO proposal remains unchanged¹, PG&E maintains its position communicated in our September 20th 2012 comments:

- Does not support the CAISO’s proposal for a less stringent application of the two-criterion test to determine the competitiveness of Paths 15 and 26.
- Asks that the CAISO and DMM provide a written report on the effectiveness of the proposed mitigation approach, including on Paths 15 and 26, by December 31, 2013. This request is reasonable given the CAISO’s recent emergency filing with FERC.²
- Supports the CAISO’s proposed two-criterion test to determine competitiveness of all other constraints (except for Paths 15 and 26).

¹ Section 6 of the CAISO’s proposal discusses the application of statistical test – the creation of a binomial distribution to prove the reasonableness of the CAISO’s proposed threshold values. However, it should be noted that the statistical test is theoretical and is not supported by real market data.

² On August 28, 2012 the CAISO made an emergency filing with FERC requesting to expand the circumstances under which it is permitted to mitigate the amount of exceptional dispatch energy payments.