

**Comments of Powerex Corp. on Congestion Revenue Rights (CRR) Clawback
Modification Draft Tariff Language**

Submitted by	Company	Date Submitted
Mike Benn 604.891.6074	Powerex Corp.	November 10, 2016

Powerex appreciates the opportunity to provide comments on CAISO’s draft tariff language implementing CAISO’s Congestion Revenue Rights (“CRR”) Clawback Modification initiative.

CAISO’s draft tariff language implements a CAISO proposal, approved by the CAISO Board in June 2016, which is intended to provide market participants with additional flexibility to submit real-time economic bids. Specifically, CAISO’s draft tariff language provides that a real-time bid that results in a schedule reduction to a day-ahead award will not be treated as a “virtual award” for purposes of the CRR Clawback Rule if the bid is “at a price greater than the Day-Ahead Market LMP at the relevant intertie, in the case of an import; or at a price less than the Day-Ahead Market LMP at the relevant intertie, in the case of an export.”

Powerex strongly supports CAISO’s action to provide market participants with greater flexibility to re-bid day-ahead awards in the real-time market without triggering application of the CRR Clawback Rule. Powerex believes that CAISO’s draft tariff language faithfully implements the proposal approved by the CAISO Board, and that adopting CAISO’s draft tariff language will eliminate a feature of the CRR Clawback Rule that has acted as a disincentive for real-time market participation at the interties. Powerex remains optimistic that implementation of CAISO’s proposal has the potential to materially increase real-time intertie liquidity. For the foregoing reasons, Powerex encourages CAISO to seek timely FERC approval of the proposed tariff language so that CAISO’s proposal can be implemented as soon as possible.