

## Comments on 2011 CRR Enhancements Draft Final Proposal

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Powerex appreciates the opportunity to provide these limited comments on the CAISO's 2011 CRR enhancements Draft Final Proposal.

Powerex strongly supports the following:

- In the annual process,
  - Keep the capacity released at 75% with no global de-rate factor; and
  - For interties and significant paths, release 75% of the annual capacity based on the OTC breakeven duration curve methodology for each intertie and significant path;
- In the monthly process,
  - Capacity released in the monthly process will remain unchanged with the capacity based upon planned outages and monthly de-rate factors;
  - For interties and significant paths, a local de-rate factor will be used where the OTC breakeven duration curve methodology was used to set the annual capacity; and
  - A single global de-rate factor will be applied to all other paths.

Powerex believes that these enhancements should lead to a more efficient annual/monthly auction, while at the same time, releasing an appropriate volume of CRRs to the market without unduly jeopardizing CRR revenue adequacy.