

Stakeholder Comments

CAISO DMM Local Market Power Mitigation Enhancements 2015

Submitted by	Company	Date Submitted
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SCE appreciates the opportunity to comment on the California Independent System Operator (CAISO) and the Department of Market Monitoring (DMM) Draft Final Proposal on Local Market Power Mitigation (LMPM) Enhancements 2015¹.

In the Proposal, the CAISO clarifies that the proposed changes under this initiative should not significantly impact the performance of real-time market systems. The proposed changes include the following, unchanged from the Straw Proposal –

1. To move LMPM from advisory interval to binding interval of Real Time Pre-Dispatch (RTPD), and
2. To add separate LMPM in Real Time Dispatch (RTD). To ensure consistency between RTPD and RTD, the LMPM in RTD will use mitigated bids from the corresponding RTPD run when there is a mitigation in RTPD.

SCE supports these proposed changes to enhance the accuracy of LMPM in the real-time markets, and also supports DMM’s continued monitoring of LMPM performance², including any impact due to the proposed changes under this initiative.

¹ CAISO Local Market Power Mitigation Enhancements 2015, Draft Final Proposal, dated January 12, 2016: http://www.caiso.com/Documents/DraftFinalProposal_LocalMarketPowerMitigationEnhancements2015.pdf

² Page 1 of the Draft Final Proposal: “[t]he proposed LMPM changes will be tested significantly and implemented when the ISO and its vendor are confident in the performance of the market systems with the new design, and DMM will continue to monitor the functioning and impact of local market power mitigation in all the ISO markets.”