

Seattle City Light's Comments on CAISO's 2018 Draft Policy Initiatives Catalog
November 29, 2017

About Seattle City Light

Seattle City Light (Seattle) is the tenth largest consumer owned electric utility in the nation, providing electrical service to more than 415,000 residential, commercial, and industrial customers in the City of Seattle, Washington and six adjacent cities. Seattle owns and operates resources with approximately 2,000 MW of flexible, fast-ramping, hydroelectric capacity. We regularly transact in the wholesale energy and transmission markets. Seattle executed an Implementation Agreement with the California Independent System Operator (CAISO) and intends to begin participating in the Energy Imbalance Market (EIM) in April 2019.

Summary

Seattle thanks CAISO for the opportunity to provide comments on its 2018 Draft Policy Initiatives Catalog dated November 8, 2017. Seattle reviewed the catalog's EIM Governing Body designations and does not propose any changes to the designations at this time.

Seattle appreciates the inclusion of the following initiatives in the catalog and encourages CAISO to select them for inclusion in its work plan:

- Day-Ahead Flexible Reserve Product
- Real-Time Market Enhancements
- EIM Default Energy Bid Option
- Hourly EIM Resource Sufficiency Evaluation

Comments

Seattle supports the inclusion of the following initiatives in CAISO's work plan.

Day-Ahead Flexible Reserve Product

Seattle encourages CAISO to take timely action to develop robust flexible reserve products to allow the acquisition of more types of flexible capacity. We believe that coordination between the Pacific Northwest and California is mutually beneficial to each geographic areas' operational needs in the short-term and the long-term. Seattle is also supportive of long-term solutions and enhancements to resource adequacy requirements as they relate to flexible resources.

Real-Time Market Enhancements

Seattle encourages CAISO to initiate its efforts that will allow EIM entities the ability to adjust base schedules closer to the operating hour while limiting exposure to imbalance charges. Real-Time Market Enhancements should include a discussion of the most efficient means to accomplish this goal. Therefore, Seattle encourages CAISO to begin work on this initiative.

EIM Default Energy Bid Option

Seattle City Light supports starting a process to develop a new Default Energy Bid option for resources located outside of the CAISO footprint.

Hourly EIM Resource Sufficiency Evaluation

CAISO has administered the EIM for over three years and the time is now ripe for a review of the EIM Resource Sufficiency Tests. Seattle encourages CAISO to take up this initiative, conduct the necessary evaluation, and develop enhancements to these tests.

Conclusion

Seattle appreciates the opportunity to comment on CAISO's 2018 Draft Policy Initiatives Catalog. We look forward to participating in CAISO's stakeholder processes in the future.