

**Stakeholder Comments Template**  
**Subject: GMC Charge Code 4537 – Market Usage**  
**Forward Energy Final Proposal**

Submitted by (Name and phone number)	Company or Entity	Date Submitted
Michael G. Strong 858 650-6154	San Diego Gas & Electric Company	October 12, 2009

CAISO seeks written stakeholder comments on its GMC Charge Code 4537 – Market Usage Forward Energy Final Proposal, which was posted on October 2, 2009 at <http://www.caiso.com/2417/2417891c4ad50.html>

Stakeholders should use this Template to submit written comments. Written comments should be submitted no later than Close of Business on Monday, October 12, 2009 to: [csnay@caiso.com](mailto:csnay@caiso.com). Comments will be posted on the CAISO website.

The CAISO seeks stakeholder input on the following:

1. Do you support the ISO's final proposal to change the market usage forward energy charge calculation to:

Max [abs(Generation+Imports),abs(Load+Exports)]

SDG&E does not support the proposed “greater of” mitigation methodology as a means merely to reach a consensus for the interim period until a full cost of service study can be completed. For reasons already summarized in the Final Proposal posted October 2, 2009, the Market Usage Forward Energy GMC charge calculation should not be revised, except for the elimination of the IST allocation as indicated, from the currently approved and implemented “net” methodology.

To start with, SDG&E takes issue with the assertion that there is a consensus of agreement with the notion that the “gross” allocation methodology properly reflects cost causation for MUFE service provided. In the Summary of 8/28/09 ISO Straw Proposal at page 10 of the Final Proposal, the statement is made that “there was general agreement among stakeholders that assessing the MUFE charge to gross energy in the day ahead market better reflects cost causation principles.” There may have been “general agreement” between selected stakeholders making that assertion, but other than untested anecdotal examples, there has been absolutely no evidence offered for consideration to establish that claim of cost causation. After the last cost of service study

had been fully reviewed and approved by FERC, the “net” allocation methodology for MUFE charges was implemented as the “general agreement” made in that official proceeding. For the CAISO to support even an “interim” change to this approved methodology without the thorough analysis and validation from all stakeholders appears to be an unnecessary departure from established protocol.