

Stakeholder Process: Proxy Demand Resource

Summary of Submitted Comments

Stakeholders submitted four rounds of written comments to the CAISO on the following dates:

- Round One, 11/12/2008
- Round Two, 1/12/2009
- Round Three, 3/20/2009
- Round Four, 4/29/2009

Stakeholder comments are posted at: <http://www.aiso.com/1893/1893e350393b0.html>

Other stakeholder efforts include:

- Conference Calls
 - 1/5/2009
 - 2/27/2009
 - 3/20/2009
 - 4/22/2008
- In-person meetings
 - 11/5/2008
 - 1/15/2009
 - 3/12/2009
- Other stakeholder efforts
 - Three in person working group meetings to refine proxy demand resource proposal held in January – February 2009
 - Demand Response technical design sessions held in July – August of 2008

Management Proposal	Stakeholder A	Stakeholder B	Stakeholder C	Stakeholder D	Management Response (Completed by the ISO)
Retail demand response aggregator (curtailment service provider) may bid demand response directly into the ISO's energy and ancillary service markets and participate separately from the load serving entity as required by FERC Order 719	Identify Response: Support No Comment Conditional Oppose Brief position supporting statements are appropriate	Support, provided that LSE is compensated for lost retail sale.			
Proxy demand resource bid and settled at Custom-LAP	Identify Response: Support No Comment Conditional Oppose Brief position supporting statements are appropriate	Support, provided that load pays DLAP.			
Load serving entities' load bid and settled at Default-LAP	Identify Response: Support No Comment Conditional Oppose Brief position supporting statements are appropriate	Support			
Bids to curtail load that clear the Day-	Identify Response:				

Management Proposal	Stakeholder A	Stakeholder B	Stakeholder C	Stakeholder D	Management Response (Completed by the ISO)
Ahead and/or Real-Time Market will appear as a reduction to the load serving entities' Day-Ahead Load Schedule for the purpose of settlement of uninstructed deviation	Support No Comment Conditional Oppose Brief position supporting statements are appropriate	Oppose, full load quantity should clear in DAM per LSE's bid to simplify settlements and to avoid unintentional RT charges.			
Settlement for the curtailed portion of the load settled by the ISO directly with the retail demand response aggregator (curtailment service provider) at the specified Custom-LAP of the proxy demand resource	Identify Response: Support No Comment Conditional Oppose Brief position supporting statements are appropriate	Support, provided settlement should net out make-whole payment to LSE for lost retail sale.			
Determination of actual proxy demand response delivery would be derived from measurement of aggregate meter usage, calculated from a pre-determined baseline	Identify Response: Support No Comment Conditional Oppose Brief position supporting statements are appropriate	Support, provided stakeholders must agree to standard baseline methodologies.			
To address LECG gaming concern, initial limit for proxy demand resources operation of 200 hours per year and minimum	Identify Response: Support No Comment Conditional Oppose	Review bidding activity at 100 hours then determine if future financial penalty			

Management Proposal	Stakeholder A	Stakeholder B	Stakeholder C	Stakeholder D	Management Response (Completed by the ISO)
bid price set to the Default LAP price that was exceeded for only 200 hours in the previous year. Limits to be reassessed after summer 2010	Brief position supporting statements are appropriate	structure is warranted if over-bidding is observed.			