COMMENTS ON BEHALF OF THE CITIES OF ANAHEIM, AZUSA, BANNING, COLTON, PASADENA, AND RIVERSIDE, CALIFORNIA ON THE LOCAL MARKET POWER MITIGATION ENHANCEMENTS DRAFT TARIFF LANGUAGE

In response to the ISO's request, the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (collectively, the "Six Cities") submit the following comments on the ISO's Local Market Power Mitigation Enhancements Draft Tariff Language.

Section 34.1.5.4

The language proposed by the ISO in Section 34.1.5.4 appears to be inconsistent with the ISO's proposal for enhancements in the 5-minute Real Time Dispatch ("RTD") markets to establish a predictive RTD mitigation procedure. In the Draft Final Proposal, the ISO explains that "the input bids to the RTD mitigation process for the first of the three RTD runs corresponding to a particular RTPD interval will be the final mitigated bids used for that RTPD interval." Draft Final Proposal at 12. Likewise, with regard to the second RTD run, the Draft Final Proposal states that "the input bids to the RTD mitigation process for the second of the three RTD runs corresponding to the RTPD interval will be the final mitigated bids used in the first RTD run." *Id.* Similar language is also used with regard to the third RTD run. *See id.*

The Draft Tariff language, however, appears to replace the referenced RTPD interval with a Real Time Unit Commitment ("RTUC") interval. Specifically, Section 34.1.5.4 states:

The input Bids to the MPM for the first of the three (3) RTD runs corresponding to a particular *RTUC interval* are the final Bids as mitigated pursuant to Section 34.1.5.2 for the RTD intervals corresponding to the applicable financially binding Fifteen Minute Market run. . . . The input Bids to the RTD MPM process for the second of the three (3) RTD intervals corresponding to the *RTUC interval* will be the final mitigated bids used in the first RTD intervals. The input bids to the RTD MPM mitigation process for the third of the three RTD interval corresponding to the particular *RTUC interval* will be the final mitigated Bids used in the second RTD interval.

The Draft Final Proposal makes no reference to an RTUC interval, and it is unclear whether or how the RTUC interval relates to the Draft Final Proposal. Therefore, the Six Cities request that the ISO (a) clarify whether its reference to the RTUC interval in the proposed Tariff language was in error, and (b) if it was not in error, provide an explanation for the reasoning behind this change.

Submitted by,

Bonnie S. Blair Rebecca L. Shelton Thompson Coburn LLP 1909 K Street N.W., Suite 600 Washington, D.C. 20006-1167 bblair@thompsoncoburn.com rshelton@thompsoncoburn.com 202-585-6905

Attorneys for the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California