



January 5, 2017

Valley Electric Association, Inc. Comments on the Stakeholder Initiative Catalog and Draft Policy Initiatives Roadmap

Valley Electric Association, Inc. (VEA) appreciates the opportunity to provide these brief comments on the CAISO's Stakeholder Initiative Catalog Process and Draft Policy Initiatives Roadmap posted on December 15 and call held on December 22, 2017.

The CAISO has proposed to move forward with the discretionary item, "CRR Auction Efficiency initiative." On the December 22 call, the CAISO characterized the objections to this initiative as coming from only a select set of stakeholder groups- the financial markets and generators. VEA believes this was a misrepresentation of the stakeholders who commented against moving forward with this initiative. VEA, a load-serving entity, as well as other non-profit organizations additionally provided comments into the stakeholder catalog indicating lack of support for the CRR Auction Efficiency initiative and lack of agreement on the stakeholder desirability and market efficiency score.

VEA continues to support continuation of the auction; VEA makes use of the auction to reconfigure VEA's portfolio and to procure any remaining needed CRRs. If the CAISO went to a bilateral-only trading mechanism VEA would likely have limited success finding trading partners for the CRRs VEA needs for deliveries to its own load aggregation area.

VEA would appreciate the CAISO more carefully consider how they characterize the opposition to this initiative when making their Board presentation and in particular acknowledging VEA as a load-serving entity and not a financial marketer or generator.

Thank you for your consideration of these comments.

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