

XO Energy Comments on 2017 Draft Final Policy Roadmap

XO Energy is concerned that CAISO performs the initial and revised rankings for discretionary initiatives without transparency into how they derived the scores. An example is the Congestion Revenue Rights Auction Efficiency initiative. CAISO summed up their justification with:

“Congestion Revenue Rights Auction Efficiency – The ISO highly ranked this initiative due to the concerns raised by the ISO’s Department of Market Monitoring. The ISO plans to conduct further analysis on the potential drivers of the potential CRR auction inefficiencies prior to formally launching the stakeholder initiative. The analysis will help the ISO to identify the scope of issues to be addressed in the initiative.”

No justification was made for the composite score comprised of five metrics within the categories of feasibility and benefits. It appears that because the Department of Market Monitoring recommended the initiative, it was ranked highly. There were many comments made against conducting this initiative that appear to have been ignored.