



ACC Comments on the CAISO's Day-Ahead Market Enhancements June 19th Working Group Meeting

July 10, 2018

Introduction

The American Wind Energy Association California Caucus (ACC) appreciates the California Independent System Operator's (CAISO) efforts to evaluate and propose enhancements to the Day-Ahead Market (DAM). Overall, ACC supports the goals of this initiative.

While ACC generally supports the proposed direction of the DAM enhancements, ACC does have questions and concerns related to a few limited aspects of the proposal, which fall into the following areas:

1. General need for additional documentation and examples
 - a. Examples of cost allocation for Day-Ahead Flexible Ramping Product (DA-FRP), especially for Variable Energy Resources (VERs) that do **not** participate in the Day-Ahead Market
 - b. Written summaries of all the items that have changed from the Revised Straw Proposal
2. Justification and detail is necessary for the proposed change in standard ramping energy (SRE) and ramping energy deviation (RED) to apply only to self-scheduled resources

General Need for Additional Documentation and Examples

ACC appreciates the examples and spreadsheets that have been provided to date. ACC requests an updated written document that outlines the current version of the proposal, which was discussed during the June 19th Working Group meeting, be provided to stakeholders as quickly as possible. There appear to be a number of changes in the June 19th presentation, which stakeholders would benefit from additional explanation of in order to provide thorough feedback on the proposal.

Additionally, ACC has a number of questions regarding cost allocation for DA-FRP procurement. Spreadsheet or slide examples which walk through cost allocation, especially for VERs which do not participate in the DAM, should be posted by the ISO concurrent with the next version of the proposal. Examples should illustrate all changes to today's cost allocation and make clear all new charges, or changes to the way existing charges are calculated, that are expected as a result of the DAME proposal.



SRE and RED Calculation

Slide 47 of the June 19th workshop presentation indicated a potential change from the Revised Straw Proposal posted in April. Slide 47 indicates that while SRE and RED are currently calculated for all resources, as part of transitioning to 15-minute scheduling in the DAM, the CAISO would now only calculate SRE and RED for resources that self-schedule into the real-time market. The CAISO should provide justification for this transition and also provide information on what impact this might have on resources which, due to contractual restrictions, will need to continue to self-schedule.

Conclusion

ACC appreciates the opportunity to comment and looks forward to working with the CAISO on this initiative and in expanding the DAM to the Energy Imbalance Market.