

**Stakeholder comments and questions from the
2022 Budget and GMC Process stakeholder conference call meeting
held on November 15, 2021.**

Supporting meeting documents are available here,

<https://stakeholdercenter.caiso.com/RecurringStakeholderProcesses/Budget-grid-management-charge-process--2022>

Submitted by	Company or Entity	Date Submitted
Name: Matt Lecar e-mail: melj@pge.com	Pacific Gas & Electric	11/22/2021

PG&E appreciated the clear presentation and transparency of CAISO's budget overview. PG&E has particular concerns with the potential for the scope of major projects being incompletely defined in the budgetary process, and appreciates CAISO's commitment to producing a draft budget book for 2022 project work in December 2021. Such a description, including preliminary budgeted amounts, is extremely helpful for market participants attempting to match their own implementation efforts with CAISO's; and for projects at an earlier stage of development, it serves as an excellent control on CAISO's definition of project scope and work plan, by clearly delimiting the dollar resources required per project.

ISO Response

The CAISO appreciates PG&E's comments and their request for additional planned project information identified in the budget book. The CAISO team will work towards presenting a solution that addresses PG&E's request during the next Revenue Requirement cycle.

In addition, as part of the Release Planning process the CAISO team is working to further detail project scope and complete impact assessments as the Policy and internal planning activities complete. As this occurs the Release User Group communications will be updated in December and early 2022 to provide Participants information for their implementation effort. This information can be found on the CAISO Release Planning site.

(<http://www.caiso.com/informed/Pages/ReleasePlanning/Default.aspx>).

Submitted by	Company or Entity	Date Submitted
Name: Lauren M. Perkins e-mail: lmp@dwgp.com	Duncan Weinberg Genzer & Pembroke, P.C. submitted on behalf of Modesto Irrigation District, and City of Santa Clara, California, dba Silicon Valley Power	11/22/2021

1. Why does “CRR System Replacement” not appear on the project list in the draft budget book for 2022 [1], given CAISO indicated in August 2021 that its project timeline for completion was November 1, 2022? [2]

ISO Response

The CRR System Replacement project was fully funded using the 2021 capital and project budget. No additional funds are needed for 2022.

2. Of the \$22 million approved by the CAISO Board for capital projects in 2021, how much has the Corporate Management Committee (“CMC”) approved to-date? [3] How much is attributable to accommodations for CAISO’s return to on-campus operations, which CAISO noted in the November 15, 2021 meeting?

ISO Response

2a. As of the last CMC meeting (held on 11/22/21), the CMC has approved \$19,185,710 out of the \$22,000,000 project budget. The final 2021 CMC meeting will be held in December

2b. A total of \$500,000 in projects have been approved for return to office efforts, such as cubicle changes and furniture purchases.

3. What does the newly proposed project for 2022 related to FERC Order No. 2222 (which has a “Small,” i.e., under \$500,000 budget) entail? [4]

ISO Response

The CAISO team completed an impact assessment for the FERC Order 2222 to support of the Pending Tariff Language posted on the CAISO website. Based on the assessment the project scope would include changes to the registration, market submission, and settlement meter data submission processes to allow distributed electricity to aggregate as defined in the order. The CAISO will provide more detail on the scope and system impacts through the Release User Group and External Business Requirements Specification.

The Pending Tariff Language - Tariff Amendment - FERC Order No. 2222 (ER21-2455) document can be found here:

<http://www.caiso.com/rules/Pages/Regulatory/Default.aspx>

4. Is there any projected budget impact arising from the joint authority model for the Energy Imbalance Market (“EIM”) that was adopted this year?

ISO Response

The EIM Governing Body is seeking an EIM Governing Body Market Expert to advise it on ongoing energy market design issues. However, at this time, it is uncertain what the cost impact will be in the 2022 budget although it is projected to be immaterial.

[1] All references herein to “draft budget book” refer to CAISO’s October 21 Preliminary Draft of the 2022 Budget and GMC Rates document, located here.

[2] See CAISO Response to MID/SVP Comments (Aug. 5, 2021) at 5 (available here). See CAISO’s Active Projects (as of June 2021) at 1 (available here).

[3] As of the Q2 2021 report, the CMC had approved \$11.7 million of the \$22 million approved by the CAISO Board for capital projects in 2021. See CAISO, Quarterly Financial Report (June 30, 2021) at page (i), 3 (available here).

[4] Draft Budget Book at 33 (showing “FERC 2222- distributed energy resources” in the project listing).