



Stakeholder Comments Template

Adjustment to Inter-Tie Constraint Penalty Prices

Submitted by	Organization	Date Submitted
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Please provide your organization's comments on the following issues and questions.

1. Background

Pacific Gas & Electric (PG&E) supports and appreciates the CAISO's efforts in this proposal. The CAISO's transparency and thorough explanation of this issue in its Issue Paper/Straw Proposal and presentation were extremely beneficial to our understanding of this issue. We believe the proposed adjustments to the penalty prices in the hour ahead scheduling process (HASP) and Residual Unit Commitment (RUC) should effectively address the market overscheduling problems identified in this proposal.

2. HASP ITC

PG&E seeks additional discussion and details on how adjustments to the HASP penalty prices will address intertie overscheduling in the Fifteen Minute Market (FMM).

PG&E notes that the market overscheduling at Malin and NOB on July 9, 2021 occurred in HASP as well as multiple intervals of the FMM. PG&E believes that the current proposal to adjust the HASP penalty prices should be sufficient to address the potential for intertie overscheduling in both HASP and FMM. However, to further our understanding of the interaction between the HASP and FMM markets in scenarios such as the July 9 events, PG&E would appreciate additional discussion of how the proposed changes are expected to address FMM overscheduling and clarification of any potential financial impacts.

Additional comments

PG&E requests that the CAISO confirm whether market participants will be in market simulation when the initiative enters the implementation stage

PG&E would like to confirm whether market participants will be able to participate in and have access to the results of any market simulation of the proposed changes. This information is necessary for market participants to understand and plan for the changes being proposed.