



Comments of Pacific Gas & Electric Company Market Settlement Timeline – Revised Straw Proposal and Workshop

| Submitted by | Company | Date Submitted |
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| Joshua Arnold (415-973-1273) | Pacific Gas & Electric | September 6, 2019 |

Pacific Gas and Electric Company (PG&E) offers the following comments on the California Independent System Operator’s (CAISO) Market Settlement timeline Revised Straw Proposal, released on August 15th, 2019.

In this Revised Straw Proposal, the CAISO has adjusted the suggested metering, publication, and dispute timelines for the required statements, in response to stakeholder feedback to their Initial Straw Proposal. Initial meter submission would now be at T+8B, instead of T+4B, and the corresponding Initial Statements will be published on T+9B, instead of T+7B as originally proposed. This statement will then have a +22B dispute timeline, consistent with the dispute deadlines for all other statements. The final required statements would then be published on T+70B, following a T+55B final meter submission deadline. The optional T+12M, T+21M, and T+24M statement timelines are unchanged from the Initial Straw Proposal.

PG&E supports the CAISO’s proposed new meter data, publication, and dispute resolution timelines, with one exception. During our examination of the EAL risks associated with this proposal, PG&E identified that the delay in settling the Day Ahead market energy charges (I.e. 6011 and 6301) would result in the need to increase the amount of credit posted by Load Serving Entities (LSEs) considerably. Because of this we are concerned by the initial delay between the market trade date and the proposed initial T+9B statements. PG&E does understand the timing requirements driving the T+9B statement, however, and does agree that having accurate meter data provides considerable benefit when settling Real-Time charge Codes.

To minimize this potential Day Ahead credit impact we suggest that the CAISO introduce a new, Day Ahead Energy-specific statement to resolve and settle charge codes 6011 and 6301 on T+4B, after the Day Ahead Price Correction process is completed. This timeline still allows for accurate settlements because neither charge code relies on meter or system-wide data for settlement and would then allow the charges to be invoiced to participants a week earlier than the corresponding T+9B statements.

PG&E’s other concern remains the CAISO’s proposal to only consider settlement disputes for disputed revenues or charges greater than \$100.00, unless the dispute is an approved place-holder dispute.

The primary driver of a dispute is, ultimately, that a participant identifies a market input, or a mathematical or logical calculation step that is not accurate to the market results and/or intent. PG&E believes that in either of these occurrences, the CAISO has a direct obligation to correct the inaccuracy, no matter how minor, since such an error is specifically driven by issues within the CAISO systems (i.e., data payload errors, incorrect exception tracking, etc.). PG&E feels that denying the possibility of such changes for “minor” financial errors, as this initiative suggests, goes counter to the CAISO’s obligation to provide accurate settlement statements to all participants. For this reason, we suggest the proposed minimum dispute threshold restriction is inappropriate and should be removed from this (and any future) initiative.

PG&E suggests that the CAISO would be better able to investigate and resolve stakeholder disputes by instead conducting more in-depth participant training on CIDI best practices, and to educate market participants on how to use the CIDI dispute and inquiry processes as effectively as possible.

PG&E thinks that “disputes” that cannot identify specific data or formulaic errors for review would be best addressed through an Inquiry Ticket process instead, which would allow the CAISO more time to properly investigate any participant concerns. For this process to be effective however, it would be necessary that any data or formulaic errors found during the investigation of such inquiries would then be resolved as if the issue(s) had been submitted as a valid statement dispute, and corrected as quickly as possible (i.e., an Inquiry Ticket submitted on a T+12B statement that is identified as requiring resolution should be resolved on the next required or optional statement, even if the dispute resolution timeline for the T+12B statement has passed).