



Stakeholder Comments Template

Pseudo-Ties of Shared Resources

This template has been created for submission of stakeholder comments on the Issue Paper and Straw Proposal, and the associated July 14 meeting discussion, for the Pseudo-Ties of Shared Resources initiative. The paper, stakeholder meeting presentation, and all information related to this initiative is located on the [initiative webpage](#).

Upon completion of this template, please submit it to initiativecomments@caiso.com. **Submissions are requested by close of business July 31, 2020.**

Submitted by	Organization	Date Submitted
Bonnie Blair bblair@thompsoncoburn.com 202-585-6905	Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California ("Six Cities")	July 31, 2020

Please provide your organization's general comments on the following issues and answers to specific requests.

1. Metering and Telemetry Requirements

Please provide your organization's feedback on the metering and telemetry requirements, as described within the draft final proposal. Please explain your rationale and include examples if applicable.

Six Cities' Response: The Six Cities have no comments on this topic at this time.

2. Outage Management and Reporting Requirements

Please provide your organization's feedback on the outage management and reporting requirements, as described within the draft final proposal. Please explain your rationale and include examples if applicable.

Six Cities' Response: The Six Cities have no comments on this topic at this time.

3. Treatment of Minimum Load and Start-Up Costs

Please provide your organization's feedback on the proposed treatment of minimum load and start-up costs, as described within the draft final proposal.

Please explain your rationale and include examples if applicable.

Six Cities' Response: The Six Cities have no comments on this topic at this time.

4. Additional comments

Please offer any other feedback your organization would like to provide on the issue paper and straw proposal.

Six Cities' Comments: In their comments submitted on May 29, 2020 regarding the Issue Paper and Straw Proposal for this initiative, the Six Cities identified a number of questions relating to implementation of pseudo-tie arrangements for shared resources. Among other questions, the Six Cities asked whether and for how long CAISO participants could continue to use a jointly-owned, dynamically-scheduled resource as a Resource Adequacy Resource with the ability to submit economic bids when the BAA in which the resource is located joins the EIM, has shared ownership of the resource, and plans to use the resource as a participating resource in the EIM. The Draft Final Proposal describes the proposed pseudo-tie arrangement for shared resources as an "option" (Draft Final Proposal at pages 4 and 5), and states that "this initiative proposes broadening the options for market participants to use pseudo-ties, and has not proposed to limit the ability of market participants to dynamically schedule resources from EIM Entity BAAs." (Draft Final Proposal at page 9). Further, the CAISO stated during the July 17, 2020 web conference on the Draft Final Proposal that the CAISO is not proposing to eliminate existing functions of Dynamic Schedules, including economic bidding, and is not changing any options that are currently available.

The Six Cities support development of arrangements for pseudo-ties of shared resources on an optional basis, provided that market participants with shared resources continue to have the ability to dynamically schedule such resources located in an EIM Entity BAA, to count dynamically-scheduled shared resources as RA resources, and to submit economic bids for dynamically-scheduled shared resources located in an EIM Entity BAA in both the Day-Ahead Market and the Real-Time Market. The Six Cities appreciate the CAISO's assurances that these and all other aspects of dynamic scheduling functionality currently available will remain available and trust that the tariff language developed for this initiative will be consistent with those assurances.

The Six Cities understand and appreciate that the CAISO recommends pseudo-tie arrangements for shared resources located in EIM Entity BAAs on the grounds that pseudo-tie arrangements for such resources will mitigate accounting challenges that may arise when shared resources submit economic bids in the Real-Time Market. The Six Cities appreciate the CAISO providing the option for pseudo-tie arrangements and will continue to explore with the CAISO the benefits and feasibility of developing pseudo-tie arrangements for their shared resources. To that end, the Six Cities believe that direct discussions among the CAISO and owners of affected shared resources focused on the specific circumstances of the affected resources will be the most productive approach for exploring the relative

costs and benefits of adopting pseudo-tie arrangements versus continuing dynamic scheduling arrangements. The Six Cities are aware that the CAISO has been participating in such discussions and appreciate the CAISO's involvement. In the context of such direct discussions and to facilitate a complete understanding of the risks and potential benefits associated with both dynamic scheduling of shared resources and pseudo-tie arrangements for such resources, the Six Cities request that the CAISO provide resource-specific examples illustrating how potential inconsistencies among bid prices, dispatch, and settlement prices might arise under continued dynamic scheduling and other resource-specific information as requested by the participants in such discussions.