

**DC Energy, Comments on Congestion Revenue Rights Auction (CRR) Auction Efficiency
Track 1B Draft Tariff Language**

Submitted by	Company	Date Submitted
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Please see our comments for the draft tariff revisions:

- 1- It would be helpful to have the draft BPM changes while reviewing the proposed Draft Tariff changes. In general, the Tariff changes are challenging to understand and lack important details about when the settlements are performed and how the derate allocations are assigned. We request the CAISO publish the draft BPM changes as soon as possible so it can be clearly understood how the CAISO is implementing Track 1B.

- 2- We did not see any mention of CRR clawback in the revised sections. The second Addendum suggested clawbacks would be embedded in the deraton assignments. One implication of our concern is that the CAISO could allocate a derate for infeasibility that did not exist in the end because of a CRR clawback.

- 3- Section 11.2.4.5 CRR Balancing Account: the draft added the following language:

"The CAISO draws funds needed to settle IFM Congestion Credits and RTM Congestion Credits from the CRR Balancing Account".

What is this language doing? It appears to mean the CAISO would use CRR BA to fund RT Congestion Offset. If so, why is this change necessary or in scope with regard to the Track 1B Second Addendum proposal?

- 4- **11.2.4.4.2 Daily Settlement of CRRs and Calculating the Daily CRR Settlement Value:** The following language need to be clarified:

"(2) the portion of negatively-valued Daily CRR Settlement Values charged to CRR Holders attributable to IFM Congestion on the Transmission Constraint to which the congestion fund corresponds."

Its not clear what this phrase is performing. It appears this is referring to daily net counterflow settlement, but it is unclear why it would be placed into the Monthly Congestion Fund and not used to support prevailing CRR settlement. Our request is the CAISO clarify the meaning of this language and ensure counterflow CRR settlement is used to fund prevailing flow CRR settlement.

- 5- **36.2.2 CRR Options:** we are confused how a CRR Option could owe money. Please clarify

- 6- **11.2.4.4 Daily CRR Settlement with Potential Monthly Make-Whole Payments:** We see the use of the stand-alone term "Constraint" and other times "Transmission Constraint". We submit each paragraph should use reference the term "Transmission Constraint" so it is clear the settlements refer to transmission constraints.

Respectfully,

DC Energy