

Comments on the Congestion Revenue Right Analysis Working Group Meeting
Department of Market Monitoring
May 9, 2017

The California ISO Department of Market Monitoring (DMM) appreciates the opportunity to comment on the Congestion Revenue Rights Analysis Working Group Meeting on April 18, 2017. DMM supports the ISO's commitment to study the transmission ratepayer losses in the CRR auction. The analysis will inform the ISO and stakeholders about the losses on a constraint by constraint level.

It is already clear that ratepayers have lost over \$560 million in the CRR auction since 2012. The current auction design continues to place ratepayers at risk of additional losses. The ISO should complete its analysis as quickly as possible. The sooner the ISO completes the analysis the sooner the ISO can work on mitigating the risks the auction continues placing on ratepayers.

Stakeholders suggested that the ISO also study CRR revenue inadequacy by constraint. The ISO has measured CRR revenue inadequacy by constraint for years and CRR revenue inadequacy persists. The ISO should focus on studying ratepayer losses on CRR contracts and move on to solutions as quickly as possible.