



**Stakeholder Comments Template**  
**Day-Ahead Market Enhancements Phase 1 Initiative**

This template has been created for submission of stakeholder comments on the third revised straw proposal that was published on February 28, 2019.

Upon completion of this template, please submit it to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com). Submissions are requested by close of business on March 21, 2019.

<b>Submitted by</b>	<b>Organization</b>	<b>Date Submitted</b>
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Public Generating Pool (PGP) represents ten consumer-owned utilities in Oregon and Washington that own almost 6,000 MW of generation, 4,500 MW of which is hydro and 96% of which is carbon-free. PGP appreciates the opportunity to comment on CAISO’s Day-Ahead Market Enhancements Phase 1 third revised straw proposal.

**Please provide your organization’s comments on the following issues and questions.**

**1. Fifteen-Minute Granularity Design Features**

Please provide your organization’s feedback on the fifteen-minute scheduling granularity features topic as described in section 2 of the proposal.

PGP cautions that the proposed 15-minute granularity enhancements may not result in the active participation of 15-minute economic bids and offers at CAISO’s interties that CAISO may anticipate. There are several seams issues that exist between the CAISO market and how market participants transact bilaterally outside the CAISO market that may inhibit broad participation at CAISO’s interties. First of all, adjacent transmission providers sell their transmission as an hourly product. An external market participant must secure third party transmission for a full hour, even if they are awarded for only a 15-minute segment. Secondly, external entities currently transact day-ahead energy in 8-hour or 16-hour blocks and do their resource planning on an hourly basis. These are just a couple of considerations that make participation in CAISO’s day-ahead market with 15-minute granularity a challenge. PGP recommends CAISO carefully consider this change in relation to the impact such a change has on the participation of external resources.

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## **2. Fifteen-Minute Granularity Impacts to the Energy Imbalance Market**

Please provide your organization's feedback on the Fifteen-Minute Granularity Impacts to the Energy Imbalance Market topic as described in section 3 of the proposal.

CAISO has stated that moving its day-ahead market to 15-minute granularity poses significant technical challenges and will consume substantial computing power. While it appears CAISO may be able to overcome the technical challenges, PGP would like to better understand the impact the computational burden of day-ahead 15-minute granularity will have on potential future changes to the day-ahead market. In other words, are there potential changes needed for EDAM or DAME Phase 2 that will be more challenging or even prove to be infeasible to implement because of the complexity and computational drain put on systems and processes as a result of day-ahead 15-minute granularity? And what are the benefits tradeoffs of those potential future changes? Would CAISO have made different decisions or pursued other less computationally intensive options if it would have waited to make this change until the design of EDAM and the DAME Phase 2 were more defined?

## **3. Energy Imbalance Market Governing Body Role**

Please provide your organization's feedback on the EIM Governing Body Role as described in section 4 of the proposal.

PGP supports CAISO's decisional classification for this initiative as hybrid non-EIM specific with the change to the granularity of EIM base schedules and settlement of regulation energy falling under the primary authority of the EIM Governing Body.

### **Additional comments**

Please offer any other feedback your organization would like to provide on the Day-Ahead Market Enhancements Phase 1 initiative third revised straw proposal.

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