



## Stakeholder Comments Template

### FERC Order 831 – Import Bidding and Market Parameters

This template has been created for submission of stakeholder comments on the FERC Order 831 – Import Bidding and Market Parameters revised draft final proposal that was published on July 22, 2020. The revised draft final proposal, stakeholder call presentation, and other information related to this initiative may be found on the initiative webpage at: <http://www.caiso.com/StakeholderProcesses/FERC-Order-831-Import-bidding-and-market-parameters>.

Upon completion of this template, please submit it to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com). Submissions are requested by close of business on **August 12, 2020**.

Submitted by	Organization	Date Submitted
Tony Braun BBSW	Balancing Authority of Northern California, Los Angeles Department of Water and Power, Sacramento Municipal Utility District, Salt River Project, Seattle City Light, Turlock Irrigation District (“POU EIM Entities”)	August 12, 2020

**Please provide your organization’s overall position on the FERC Order 831 – Import Bidding and Market Parameters revised draft final proposal:**

- Support
- Support w/ caveats
- Oppose
- Oppose w/ caveats
- No position

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

#### 1. Power Balance Constraint Relaxation Pricing and Constraint Penalty Prices

Please state your organization's position on the Power Balance Constraint Relaxation Pricing and Constraint Penalty Prices as described in section 4.1: (Please indicate Support, Support with caveats, Oppose, or Oppose with caveats)

Please provide additional details to explain your organization's position and include supporting examples if applicable:

See Additional Comments, below.

## **2. Screening import and virtual bids greater than \$1,000/MWh**

Please state your organization's position on screening import and virtual bids greater than \$1,000/MWh as described in section 4.2: (Please indicate Support, Support with caveats, Oppose, or Oppose with caveats)

Please provide additional details to explain your organization's position and include supporting examples if applicable:

See Additional Comments, below.

## **3. Application of screen to Resource Adequacy Imports**

Please state your organization's position on the application of screening import and virtual bids greater than \$1,000/MWh to Resource Adequacy Imports as described in section 4.2.1: (Please indicate Support, Support with caveats, Oppose, or Oppose with caveats)

Please provide additional details to explain your organization's position and include supporting examples if applicable:

See, Additional Comments, below.

## **4. Maximum Import Bid Price Calculation**

Please state your organization's position on the Maximum Import Bid Price Calculation topic as described in section 4.2.2: (Please indicate Support, Support with caveats, Oppose, or Oppose with caveats)

Please provide additional details to explain your organization's position and include supporting examples if applicable:

See, Additional Comments, below.

### **Additional comments**

Please offer any other feedback your organization would like to provide on the FERC Order 831 – Import Bidding and Market Parameters revised draft final proposal.

The public power entities (POU EIM Entities) listed above appreciate the opportunity to submit comments on the Revised Draft Final Proposal, Import Bidding and Market Parameters, issued by the CAISO, dated July 22, 2020 (July Proposal).

The POU EIM Entities recognize that this issue has a long history dating back to FERC's issuance of Order No. 831 in 2015, at a time when there were no POU EIM Entities participating in the Energy Imbalance Market (EIM). Based on our review of the July Proposal and a review of prior stakeholder comments in this initiative, we continue to have questions about how the July Proposal would affect both the economics and the operation of our Balancing Authority Areas (BAA) within the EIM.

Our questions fall into two broad categories. First, we question how the proposed use of the infeasibility bands as an indication of scarcity comports with the EIM design. The EIM does not include a co-optimization of ancillary services, and is a voluntary market in which each BAA maintains reliability responsibilities and may not bid resources into the optimization for a variety of reasons related to unit limitations, economics, reliability, or other rationale. We seek further clarification of the CAISO's reasoning on this point that logically links the infeasibility bands to the application of the proposed increased offer cap.

Second, we need further information and explanation of the application of an operating threshold and how the autonomy of public power utilities such as the EIM POU's would be affected.

While recognizing this issue has a long history, we urge the CAISO to allow sufficient time for certain of these relatively new issues (some of which arose for the first time in the July Proposal) to be vetted. If this requires a slippage of the current schedule to take a final proposal to the CAISO Board of Governors in September, we would not object to that consequence and indeed believe such a delay would allow the parties and the CAISO to work through remaining issues.