

Price Formation Enhancements Working Group

14 - 20 Sep 2023

Poll results

Table of contents

- Do you feel this purpose was met?
- If not, which specific topics require further information/discussion?
- Please rank the options below in order of interest/priority for upcoming PFE Working Group sessions.
- Which other themes should be considered for discussion in a dedicated Working Group session?

Do you feel this purpose was met?

0 2 7

Yes



No



Speakers/Host/N/A



Option 4



If not, which specific topics require further information/discussion?

0 1 5

(1/3)

- Overall this was very helpful and appreciated. Useful to understand the background. I would be curious if with the broader participation in WEIM the structural issues still apply as they did during the "early days" that were referenced.
- still uncomfortable how to clearly evaluate potential pros/cons between grouping vs individual.
- Thanks James for the history and presentation today. It was all very helpful. Some analysis on how the current BAA-level MPM is performing today would be helpful to understand whether improvements are needed. In other words, are BAAs being over, under, or adequately mitigated today?
- How respective PUCs, DMMS, from different areas help with mitigation. Consequences of BAAs that continue to exercise market power.
- Provide information about the levels of

If not, which specific topics require further information/discussion?

0 1 5

(2/3)

independent generators/LSEs in each BAA in EIM and potentially EDAM. Also, a discussion of MPM when entities have potential market power on both supply and demand sides. How does this potentially change what is required of MPM?

- N/A
- before EIM participants joined, they were required to submit change in status filings which included a market power analysis examining the entire EIM footprint, as well as an analysis

that the EIM BAA will not be a submarket within the EIM. How does this analysis factor into your system level BAA MPM? It seems duplicative?

- Overall I agree that the current construct was very well described. However, I think more details on the MPM test are needed to dive into topics related to testing BA individually or as a group (or other topics).
- some sort of written paper with data to articulate the history and how MPM was formed.

If not, which specific topics require further information/discussion?

0 1 5



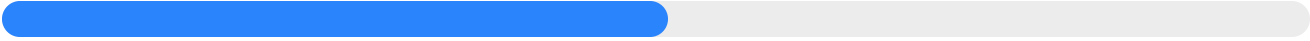
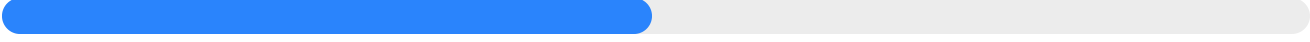
(3/3)

- Frequency of mitigation within the WEIM today, test of this methodology on WEIM data to check for how it changes the results, and analysis of applicability to EDAM.
- na
- N/A
- I think the purpose for today was met but feel more information is needed before we can discuss potential enhancements. Specifically need to understand the problems and issues the current design has that warrants enhancements
- Answered yes to the first question, but agree with the SCE suggestion that more information about the composition of BAAs could be informative
- ISO BAA mitigation.
- n/a

Please rank the options below in order of interest/priority for upcoming PFE Working Group sessions.

0 2 6



(1/2)

1. How to reflect the value of reliability in prices during scarce conditions.
 3.42
2. The triggering mechanism and timing (both start and end) of Scarcity Pricing
 3.31
3. Scarcity Pricing's competitiveness with bi-lateral markets
 2.96
4. Out of Market action's impact to CAISO market
 2.89

Please rank the options below in order of interest/priority for upcoming PFE Working Group sessions.

(2/2)

0 2 6

- 5. Compatibility with pricing and RA in broader West and other markets to signal voluntary supply
 2.69
- 6. Speakers/Host/N/A
 0.92

Which other themes should be considered for discussion in a dedicated Working Group session?

0 1 1

(1/2)

- Automatic mitigation of commitment costs in SIBR to the Default commit costs, particularly for gas resources (if this was not already discussed).
- n/a
- Out of Market actions not just within the CAISO. One of the impacts of CA RA is that it functions as a type of MPM by ensuring that under most conditions there are sufficient resources bidding into the market to help limit any potential market power. In EDAM, even with WRAP, this is not the case. How does this impact MPM in the non-CAISO areas?
- RT Multi-Interval Optimization producing suboptimal/uneconomic storage dispatches
- I think the applicability of shortage pricing when DR or strategic reserves are activated warrants its own meeting. This is reflected in the "when

Which other themes should be considered for discussion in a dedicated Working Group session?

0 1 1

(2/2)

- it applies" and the "out of market actions" topics listed but I think is a very specific set of conditions that could be addressed.
- na
- consequences of BAAs that continue to exercise market power
- Heterogeneity in the Value of Lost Load. I.e., we should be wary of setting VOLL at the highest willingness to pay among load.
- n/a
- None to suggest
- n/a