



Penalty Enhancements: Demand Response, Investigation, and Tolling (PEDRIT) Straw Proposal



Stakeholder Meeting

April 3, 2024

Reminders

- This call is being recorded for informational and convenience purposes only. Any related transcriptions should not be reprinted without ISO's permission.
- If you need technical assistance during the meeting, please send a chat to the event producer.

Instructions for raising your hand to ask a question

- If you are connected to audio through your  computer or used the “call me” option, select the raise hand icon  located on the bottom of your screen.

Note: #2 only works if you dialed into the meeting.

- Please remember to state your name and affiliation before making your comment.
- You may also send your question via chat to either **Brenda Corona** or to all panelists.

Today's Agenda

Time	Topic	Presenter
1:00 – 1:05	Welcome and today's agenda	Brenda Corona
1:05 – 1:15	Background on PEDRIT	Dinesh Das Gupta
1:15 – 2:00	PEDRIT Straw Proposal, Q&A	Dinesh Das Gupta
2:00 – 2:25	Open discussion: straw proposal and initiative	
2:25 – 2:30	Next steps	Brenda Corona

CAISO Policy Initiative Stakeholder Process



This represents the typical process, and often stages of the process run in parallel.

We are here

Background on PEDRIT Straw Proposal (SP)

Background on PEDRIT SP

- PEDRIT addresses deferred topics from the Rules of Conduct Enhancements initiative
- Rules of Conduct purpose:
 - Fair notice and equal environment
 - redress market manipulation and anti-competitive behavior
 - foster confidence in markets
- Grounding principles: transparency, respect, feedback

Background on PEDRIT SP

Topic Summary:

- Rules of Conduct Enhancements (ROCE) was implemented April 1, 2024

PEDRIT	<ul style="list-style-type: none">• Define submission requirements and penalty structure for demand response monitoring data• Streamline Rules of Conduct investigative process• Update penalty tolling process• Inaccurate meter data materiality threshold or waiver (in-scope discussion)
ROCE	<ul style="list-style-type: none">• Meter data penalties• Eliminate annual penalty distribution filing• Clarify eligibility for penalty distribution• Clarify application of market adjustment provision in context of WEIM entities

Background on PEDRIT SP

PEDRIT Timeline: Two straw proposal iterations*

Milestone	Time
Workshop	June 7, 2023
Straw proposal posted	March 28, 2024
Stakeholder meeting on straw proposal	April 3, 2024
Straw proposal comments due	April 19, 2024
Revised straw proposal posted	May 16, 2024
Draft final proposal posted	July 11, 2024
Joint Governing Body Meeting	September 26, 2024

**All dates are tentative until confirmed through a notice in the ISO's Daily Briefing.*

Topics

The SP proposes defining the penalty structure for demand response (DR) monitoring data

- **Current Rule:** The ISO requires DR monitoring data submission after a DR event
- **Proposed Rule:** DR monitoring data must be submitted by T+52B or will be considered late. Late DR monitoring data will be penalized \$1000 per trading day. Data missing past T+214B will be penalized an additional \$3000 per trading day
 - Penalty applied per SCID, not by resource ID
 - Same penalty for one or multiple data files in violation

Update penalty tolling process

- **Current Rule:** ISO collects penalty via settlement statement. If penalty is disputed with the ISO and appealed to FERC by dispute deadline (22 business days), the ISO returns penalty collection pending FERC ruling
- **Proposed Rule:** SC/MP has 30 days after Results of Review to provide the ISO with a FERC docket number outlining their appeal. If no appeal, the ISO includes penalty on settlement statement

Streamline rules of conduct investigative process: reduce administrative burden

- **Current Rule:** The ISO employs a three-letter process:
 - Notice: 30 days to submit information
 - Findings: 30 days to appeal findings to ISO
 - Penalty description: potential to appeal to FERC
- The ISO notifies MP's pre-designated contact(s) and SC
- **Proposed Rule:** The ISO employs a two-letter process:
 - Notice: 30 days to submit information, make case
 - Findings (including penalty description): potential to appeal to FERC
- Defines SC as investigative point-of-contact to prepare integrating RoC investigations into CIDI

Inaccurate meter data materiality threshold or waiver (in-scope discussion)

- The ISO seeks stakeholder perspectives on the following comments:
- **Idaho:**
 - Minimum materiality impact threshold
- **City of Corona:**
 - Waiver if first offense is self-reported and/or minor
- **DMM:**
 - Maintain strict deadline and financial penalty

Questions

Open Discussion

Next Steps

Next steps

- Straw Proposal comments are due by end of day **April 19, 2024.**
- Upcoming milestones*:
 - 4/19: due date for stakeholder comments on straw proposal
 - 05/16: ISO publishes revised straw proposal
 - 05/23: stakeholder call to discuss straw proposal

**All dates are tentative until confirmed through a notice in the ISO's Daily Briefing.*

For reference

- Visit initiative webpage for more information:
<https://stakeholdercenter.caiso.com/StakeholderInitiatives/Rules-of-conduct-enhancements>
- If you have any questions, please contact
isostakeholderaffairs@caiso.com

Save the Date - California New Resource Implementation

We will host a hybrid California New Resource Implementation (NRI) stakeholder meeting on May 1, 2024.

We aim to bolster collaboration with our stakeholder community in preparation for the upcoming summer operations. Our objective is to improve transparency surrounding the NRI process and outline expectations.

If you plan to attend the working group in person, please [register](#) by end of day April 26, 2024.

The final agenda and a presentation will be available prior to the meeting on the [public forums webpage](#).

Stakeholder-led prioritization meeting for 2024 annual discretionary policy initiatives catalog

The California ISO will host a virtual stakeholder-led prioritization meeting for the 2024 annual discretionary policy initiatives catalog on April 22, 2024. Stakeholders will present on their discretionary initiative proposals, and attendees will have the opportunity to discuss prioritization of these proposals for inclusion in the discretionary initiatives catalog.

- Summary of comment [here](#)
- information on this process [here](#).

Any questions or concerns email us at
ISOStakeholderaffairs@caiso.com



The California ISO Stakeholder Symposium will be held on Oct. 30, 2024 at the Safe Credit Union Convention Center in Sacramento, California.

A welcome reception for all attendees will be held the evening of Oct. 29.

Additional information, including event registration and sponsorship opportunities, will be provided in a future notice and on the ISO's website.

Please contact Symposium Registration at symposiumreg@caiso.com with any questions.