

Comments of Southern California Edison
Market Settlement Timeline –
Straw Proposal/Issue Paper Workshop

Submitted by	Company	Date Submitted
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Southern California Edison (SCE) offers the following comments on the California Independent System Operator’s (CAISO) Market Settlement timeline Straw Proposal/Issue Paper, released on June 11th, 2019.

SCE would like to thank CAISO for initiating the discussion on how to streamline the existing Market Settlement timeline and after reviewing the policy proposal SCE is unsure what issue CAISO is specifically trying to solve. In general, SCE is supportive of initiatives that are looking to streamline operations and minimize impacts to both CAISO and Market Participants. However, SCE is somewhat concerned at the lack of stated benefits (quantitative or otherwise) for market participants from this straw proposal.

Beyond the lack of stated benefits, SCE is concerned with the following parts of the CAISO proposal.

1. Minimum threshold of \$100 to file a dispute.
 - a. The threshold may eliminate 23% of all disputes, but it would also eliminate 72% of accepted disputes under the \$100 threshold.
 - b. The threshold concept could hurt smaller market participants disproportionately to larger market participants.
 - c. Additionally, the threshold could mask larger systematic issues over time, which could add up to much more than \$100.
2. Combining the t+12d and t+3d statement to t+7d.
 - a. While it is commendable to look to reduce the number of statements needed to settle the activity in CAISO’s markets. This revised timeline could further limit market participant’s ability to dispute statement issues. The new meter deadline of t+4 could increase the number of issues with meter forcing a larger reliance on estimated meter values. This in turn, regardless of the issue would not be disputable, potentially overly limiting a market participant’s ability to resolve incorrect transaction calculations.
3. As mentioned above, in general SCE is supportive of streamlining market operations for both CAISO and market participants. However, SCE cannot help but wonder if it would be to everyone’s benefit if CAISO focused its efforts on resolving the source of the disputes, instead of reducing the number of disputes.

Also, SCE is interested in more information with respect to the following questions.

1. SCE would like to better understand the FERC 741 limitations as CAISO understands them. Could CAISO provide its understanding of the FERC 741 limitations in the next version of the straw proposal?
2. SCE would like to better understand the EAL impact to a changing timeline. Would the proposal increase, decrease or have no impact to EAL?