



## Stakeholder Comments Template

### Transmission Access Charge Structure Enhancements: Draft Final Proposal

This template has been created for submission of stakeholder comments on the Transmission Access Charge Structure Enhancements: Draft Final Proposal that was published on September 17, 2019. The Transmission Access Charge Structure Enhancements, Stakeholder Meeting presentation, and other information related to this initiative may be found on the initiative webpage at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/TransmissionAccessChargeStructureEnhancements.aspx>

Submitted by	Organization	Date Submitted
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Upon completion of this template, please submit it to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com). Submissions are requested by close of business on **October 9, 2019**.

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

#### Hybrid Billing Determinant Proposal

Please state your organization's position on the Hybrid Billing Determinant Proposal as described in the Transmission Access Charge Structure Enhancements: Draft Final Proposal: (Support, support with caveats or oppose)

If you replied supports with caveats or opposes, please further explain your position and include examples:

*The Six Cities do not oppose the CAISO's proposal to transition to a hybrid billing determinant approach for the TAC and internal WAC assessments, as outlined in the Draft Final Proposal. In particular, the CAISO's proposal to use historical information*

*as the basis for the demand-based charges will simplify development of those charges relative to the use of forecasting as suggested in earlier proposals.*

*The Six Cities support the CAISO's targeted implementation date of 2021/22, and they also support the proposed two-year phase-in to the hybrid methodology commencing with the 2021/22 implementation date. A gradual phase-in to the new methodology is critical to allow parties to more fully assess and understand the financial and settlement-related impacts of this change. The Six Cities also urge the CAISO, both prior to the 2021/22 implementation date and during the phase-in period, to assess whether the hybrid methodology continues to align with assumptions and available data regarding cost causation and produces impacts that are consistent with stakeholder expectations in this initiative. As discussed in the CAISO's Draft Final Proposal, it is not possible to anticipate with certainty how the calculations underlying the proposed split methodology and demand-based rates may shift costs among transmission customers, particularly several years in the future when this methodology change is expected to take effect. In the event that the phase-in period results in TAC allocations that are not consistent with cost causation and the anticipated impacts to transmission customers, then the CAISO should remain open to consideration of further modifications to the hybrid methodology.*

### **Additional comments**

Please offer any other feedback your organization would like to provide on the Transmission Access Charge Structure Enhancements: Draft Final Proposal.

*The Six Cities propose that the CAISO commit to posting on its website by a date certain following the close of each month its peak date and hour for the prior month. This will enable transmission customers to identify their own CP data for that month and verify the demand charge-based component of their monthly TAC billings from the CAISO.*

*The Six Cities appreciate the CAISO's efforts to provide stakeholders with information and respond to questions and feedback regarding the possible impacts of transitioning to the hybrid TAC methodology during this initiative. In the Six Cities' view, the CAISO has managed to achieve a reasonable balance among the disparate stakeholder views regarding whether and, if so, how, to modify the currently-effective TAC methodology to incorporate a demand-based element.*

*The Six Cities continue to support the CAISO's proposal not to modify the existing point(s) of measurement for assessing the TAC/WAC to adopt a "transmission energy downflow" approach.*

*The Six Cities have no further comments at this time.*