

Submit comment on Straw Proposal

Initiative: Market enhancements for summer 2021 readiness

1. Provide a summary of your organization's comments on the straw proposal:


The California Department of Water Resources (CDWR) is generally supportive of the goals in CAISO's Market Enhancements for Summer 2021 Readiness Initiative.

However, CDWR agrees with other stakeholders that attempting too many changes before Summer 2021 could produce unforeseen and costly market surprises. CDWR encourages CAISO to scale back the proposed changes before Summer 2021 and start a separate process to prepare for Summer 2022.

2. Provide your organization's comments on the export and load priorities topic as described in slides 7-15:

CDWR supports refining scheduling priorities as proposed by the CAISO on slide 10.

Current and proposed scheduling priorities	
Post September 5	Summer 2021/DAME
<ul style="list-style-type: none">• Day-Ahead Market (RUC)<ol style="list-style-type: none">1. PT Export & Load2. LPT Export3. Economic Bid Export• Real-Time Market<ol style="list-style-type: none">1. RUC Export2. PT Export & Load3. LPT Export4. Economic Bid Export	<ul style="list-style-type: none">• Day-Ahead Market (RUC)<ol style="list-style-type: none">1. PT Export2. Load3. LPT Export4. Economic Bid Export• Real-Time Market<ol style="list-style-type: none">1. RUC Export w/ Gen2. PT Export3. Load4. RUC Export w/o Gen5. LPT Export6. Economic Bid Export

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3. Provide your organization's comments on the EIM coordination and resource sufficiency test review topic as described in slides 16-20:

No Comment.

4. Provide your organization's comments on the import and export market incentives during tight system conditions topic as described in slides 21-25:

CDWR supports more time for assessments during the stakeholder process.

5. Provide your organization's comments on the real-time scarcity price enhancements topic as described in slides 26-30:

CDWR supports Real-Time Scarcity Price Enhancements that will attract greater participation during stressed grid conditions.

6. Provide your organization's comments on the reliability demand response dispatch and real-time price impacts topic as described in slides 31-33:

CDWR believes such changes should be postponed for more thorough discussions.

7. Provide your organization's comments on the management of storage resources during tight system conditions topic as described in slides 34-36:

CDWR does not support expedited changes to the management of storage resources at this time.

8. Provide your organization's comments on the system market power mitigation topic as described in slides 37-38:

CDWR needs more information to fully understand any possible interactions between SMPM and Scarcity Pricing proposals.

9. Provide your organization's comments on the other items considered in this initiative based on stakeholder feedback as described in slides 39-42:

CDWR supports discussions of enhancements to the Interconnection process that can be safely implemented to provide additional capacity for Summer 2021.

10. Provide your organization's comments on the proposed EIM Governing Body role as described in slide 45:

No Comment.

11. Additional comments on the Market Enhancements for Summer 2021 Readiness straw proposal:

CDWR supports the Market Enhancements for Summer 2021 Readiness Initiative and believes that an ongoing Summer Readiness Initiative would be beneficial for future discussions.

12. Provide your organization's suggestions for how to prioritize the topics included in the proposal:

CDWR believes priority should be given to topics #1, #2, #4, and #8 (Slide 6) before Summer 2021. The remaining topics can be addressed after Summer 2021, but before Summer 2022.

Initiative is developing various measures to enhance summer 2021 readiness

1. Export and load priorities
2. EIM coordination and resource sufficiency test review
3. Import and export market incentives during tight system conditions
4. Real-time scarcity price enhancements
5. Reliability demand response dispatch and real-time price impacts
6. Management of storage resources during tight system conditions
7. System market power mitigation
8. Other items