

Comments of Powerex Corp. on Market Settlement Timeline Revised Straw Proposal

Submitted by	Company	Date Submitted
Mike Benn 604.891.6074	Powerex Corp.	September 6, 2019

Powerex appreciates the opportunity to submit comments on the CAISO's Revised Straw Proposal for the Market Settlement Timeline stakeholder proceeding (the "Revised Proposal").

Powerex generally supports the Revised Proposal and CAISO's objectives of increasing the completeness and accuracy of the settlements and invoicing process, and reducing administrative costs for both CAISO and market participants associated with low-value settlement re-calculation efforts. Powerex provides the following limited comments on the Revised Proposal.

Low-Value Settlement Adjustments

Powerex understands that both CAISO and market participants often devote a large level of effort and resources to correct, recalculate and process data and validate adjustments associated with optional re-calculations of settlements statements, even when such re-calculations result in relatively small financial adjustments.

Powerex supports CAISO's proposal to reduce the administrative burden required to evaluate low-value disputes and to reduce the number of small settlement re-calculations by establishing a minimum threshold of \$100 for settlement disputes. Powerex emphasizes, however, that CAISO should continue to review disputes related to repeated or persistent issues where the value may fall below the threshold in a single instance, but could result in more significant charges when measured over multiple hours or days.

Credit Exposure

On the stakeholder call, CAISO stated that it is still studying the credit exposure associated with changing the settlement timelines. Powerex asks CAISO to clarify whether there will be any changes to CAISO's current financial security requirements. Specifically, Powerex requests clarity on whether there will be any changes made to the Aggregate Credit Limit or if the anticipated increase in exposure will continue to be managed within the existing approved credit limits. If changes are required, Powerex requests CAISO provide examples of the impact on utilization, as well as a timeline of when these changes will become effective.

Other Technical Details

a. Information Management System (IMS) & Settlement Dispute System (SMS) Tickets

During the stakeholder call, CAISO indicated a preference for market participants to file IMS tickets in the place of SDS tickets for issues under the \$100 dispute threshold. Powerex requests

that CAISO investigate increasing the functionality of the CIDI software to allow IMS tickets to be upgraded to SDS disputes. This would reduce the administrative burden on market participants by avoiding the need to have to refile CIDI tickets with redundant information. It also would further protect market participants by ensuring IMS tickets retain their submission date such that dispute rights are protected within the market timelines.

b. Payment Calendar via API

In its stakeholder comments, the Northern California Power Agency (“NCPA”) requested that CAISO publish its payment calendar via an API. Powerex is supportive of NCPA’s request and asks CAISO to consider the feasibility of implementing NCPA’s suggested approach.