

Southern California Edison
Stakeholder Comments

CAISO EIM Readiness Matrix for CAISO and EIM Entities
Dated June 10, 2015

Submitted by	Company	Date Submitted
Paul Nelson – (626) 302-4814 Eric Little – (626) 302 - 6607	Southern California Edison	June 24, 2015

Southern California Edison’s (SCE) herein comments on the Energy Imbalance Market (EIM) Readiness Matrix developed for Nevada Energy’s EIM implementation dated June 10, 2015.¹ The Readiness Matrix is being developed through a stakeholder process to be in compliance with the FERC Order² on March 16, 2015, for the CAISO to update their tariff to “include requirements to ensure readiness prior to new EIM Entities commencing EIM operations.” Furthermore, the Order included “a requirement that CAISO and the new entrant each submit a market readiness certificate at least 30 days prior to full activation in the EIM, certifying the readiness of the new EIM Entity’s processes and systems”. The readiness matrix would identify those process and systems that must be certified ready 30 days prior to full activation of a financially binding EIM. SCE supports the additional detail included in the updated matrix and appreciates that the important process of settlements (both for the CAISO and EIM Entity) that have been added to the matrix. SCE supports the readiness matrix and recommends some changes to better define the readiness of settlements.

1. Settlements should be separate category in the EIM Readiness Matrix and needs clarification

CAISO added settlements under the category of Market Simulation, however, settlements should be a separate category to recognize their importance to a successful implementation. Settlements related to EIM occur for both the CAISO and the EIM Entity. The CAISO submits a settlement statement to the EIM Entity and Participating EIM Resources showing their

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http://www.caiso.com/Documents/EnergyImbalanceMarket_EntityReadinessCriteria_NVEnergyImplementation.pdf

² March 16, 2015 order in EL15-53, 150 FERC ¶ 61,191, P 34

imbalance charges and credits. The EIM Entity allocates EIM settlement charges from the CAISO to both participating and non-participating resources.

SCE recommends edits to settlements criteria with the following two metrics, one for CAISO and one for the EIM Entity:

Settlements

For the CAISO

Metric: CAISO Settlement Statement and Invoice Publication to EIM Entity and EIM Participating Resources

Criteria: Settlement statements and invoices match the operational data fed into Settlement System and the resulting calculations correspond to the formulas as defined in CAISO's tariffs and BPMs.

Threshold: ~~One-e~~Clean settlement statementss and invoicess from the CAISO to the EIM Entity verified by the EIM Entity settlements software. Clean settlement statements to EIM participating resources and verified as clean by the majority of respective Schedule Coordinators.

For the EIM Entity

Metric: EIM Entity Settlement Statement and Invoice Publication to EIM Participating Resources and non-EIM Participating Resources

Criteria: Settlement statements and invoices ~~match the input data~~ from the CAISO are correctly allocated to participating and non-participating resources and allocations correctly performed per the EIM Entity's tariffs and BPMs.

Threshold: ~~One-e~~Clean settlement statementss and invoicess from the ~~ISO-EIM Entity and~~ verified clean by the ~~EIM Entity settlements software~~majority of EIM participants and non-participants.