



## Submit comment on Draft final proposal and draft tariff language

Initiative: Maximum import capability enhancements

### 1. Provide a summary of your organization's comments on the Maximum Import Capability (MIC) Enhancements draft final proposal:

The California Community Choice Association (CalCCA) appreciates the opportunity to submit comments on the Maximum Import Capability (MIC) Enhancements Revised Straw Proposal. CalCCA generally supports the California Independent System Operator (CAISO's) proposal, specifically the proposal to enhance transparency to facilitate trades more easily and increase the usage of available MIC.

### 2. Provide your organization's overall position on the draft final proposal: \*

Choose:

- Support
- **Support with caveats – CalCCA supports the draft final proposal with caveats**
- Oppose
- Oppose with caveats
- No position

### 3. Provide your organization's comments on the improve transparency topic, as described in section 5.1:

CalCCA supports the CAISO's proposal to improve transparency. The CAISO proposes to make data publicly available through a web interface identifying the most up-to-date owners of MIC allocations at the branch group level including megawatt (MW) quantity, contact, and MWs available for trade and aggregate usage by branch group level after Resource Adequacy (RA) showings are submitted. Improvements to transparency will allow for load-serving entities (LSEs) to trade MIC more easily by identifying potential entities with MIC available to trade at different locations. This should result in increased MIC trades and usage. However, if improvements to transparency do not yield the expected improvements to MIC trading, CalCCA would support the CAISO undertaking an effort to investigate and understand barriers to MIC trading and full usage.

### 4. Provide your organization's comments on the Inclusion of contractual data from non-CPUC jurisdictional LSEs into the policy portfolio used for MIC expansion topic, as described in section 5.2:

CalCCA has no comments at this time.

### 5. Provide your organization's comments on the MIC Capability expansion requests topic, as described in section 5.3:

CalCCA supports allowing LSEs or other stakeholders with "legitimate reasons" to request an increase in MIC if deliverability is available.

**6. Provide your organization’s comments on the Step 13 – same day priority to existing RA contracts topic, as described in section 5.4:**

CalCCA supports giving same-day priority in Step 13 to LSEs with existing RA contracts in proportion to the size of each requestor’s RA contract.

**7. Provide your organization’s comments on the Tariff and Reliability Requirements BPM alignment of terms topic, as described in section 5.5:**

CalCCA supports the CAISO clarifying its tariff and BPM language to be consistent with the current practices of 1) using two decimal places for MIC transfers, and 2) posting quarterly trading data publicly.

**8. Provide your organization’s comments on the other issues discussed in the proposal, as described in section 5.6:**

CalCCA supports the CAISO’s decision not to move forward with other issues discussed in previous iterations of the proposal including, developing an auction mechanism for allocating MIC, conducting deliverability studies after RA showings, releasing unused MIC, and changing the methodology for calculating MIC to include liquidity. The CAISO should move forward with the transparency, expansion, and Step 13 proposals and evaluate their effectiveness before considering additional changes to the MIC process. Improvements to transparency proposed in this initiative should result in more efficient trading and usage of MIC as discussed in 3 above.

If these changes do not yield the expected results, the CAISO should investigate existing barriers preventing MIC trading. DMM’s comments indicate in August and September of 2019 and 2020, there were non-zero bi-lateral prices for MIC at certain branch groups on which there appeared to be unused MIC.<sup>1</sup> DMM correctly points out that these findings suggest there is room for improvement in the MIC process such that MIC on highly valued branch groups do not go unused. CalCCA previously expressed concern that MIC goes unused because parties have an incentive to hold onto MIC to use it for substitution to cover planned or forced outages of other RA resources. Clarifications from the CAISO indicate imports can only be substituted for forced outages on other imports. Comments from DMM state that external resources have not been used for substitution purposes for the last three years, suggesting LSEs appear not to regularly hold back MIC for substitution.<sup>2</sup> Accordingly, CAISO should investigate barriers preventing MIC trading if improvements to transparency do not yield the expected results.

**9. Provide your organization’s comments on the proposed initiative schedule and EIM Governing Body role, as described in section 6:**

CalCCA reiterates its support for the EIM Governing Body Classification for this initiative.

**10. Additional comments on the Maximum Import Capability Enhancements draft final proposal:**

CalCCA has no comments at this time.

**11. Provide a summary of your organization’s comments on the Maximum Import Capability (MIC) Enhancements draft tariff language:**

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<sup>1</sup> DMM Comments on Revised Straw Proposal at 2:  
<https://stakeholdercenter.caiso.com/Common/DownloadFile/86140bdb-a417-4106-95cf-1012df2e5c03>

<sup>2</sup> *Id.* at 5.

CalCCA has no comments at this time.

**12. Provide your organization's comments on draft tariff language section 24.3.1 Inputs to the Unified Planning Assumptions and Study Plan:**

CalCCA has no comments at this time.

**13. Provide your organization's comments on draft tariff language section 24.3.3 Stakeholder Input – Unified Planning Assumptions/Study Plan:**

CalCCA has no comments at this time.

**14. Provide your organization's comments on draft tariff language section 24.3.5 Import Capability Expansion Requests:**

CalCCA has no comments at this time.

**15. Provide your organization's comments on draft tariff language section 40.4.6.2.1 Available Import Capability Assignment Process:**

CalCCA has no comments at this time.

**16. Provide your organization's comments on draft tariff language section 40.4.6.2.2 Reporting Process for Bilateral Import Capability Transfers:**

CalCCA has no comments at this time.

**17. Provide your organization's comments on draft tariff language section 40.4.6.2.2.3 Other Import Capability Information Postings:**

CalCCA has no comments at this time.

**18. Additional comments on the Maximum Import Capability Enhancements draft tariff language:**

CalCCA has no comments at this time.