

# California Community Choice Association

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## Contact

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### **1. Please provide your organization's feedback on the ISO's proposal to remove the \$1,000/MWh cap on Default Energy Bids (DEB):**

The California Community Choice Association (CalCCA) appreciates the opportunity to comment on the California Independent System Operator's (CAISO) draft final proposal for bidding above the soft offer cap. CalCCA continues to support a solution that will allow bids to capture resources' opportunity costs more accurately. Such a solution will allow for both the resources' recovery of costs *and* improved reliability by ensuring state-of-charge is preserved for times when the resources are most needed.

The last several working groups have revealed that the CAISO's proposed solutions may come with unintended consequences. Before committing to implementing a new market design that would allow resources with intra-day opportunity costs to bid above the soft-offer cap by summer 2024, the CAISO must further explore any unintended consequences associated with pursuing an expedited solution. Should the CAISO, with input from the Market Surveillance Committee, conclude that it can implement an expedited solution without unintended consequences, CalCCA supports the CAISO moving forward with uncapping the default energy bid (DEB) to allow DEBs to rise above \$1,000 per megawatt-hour and modifying the bid cap to reflect opportunity costs for summer 2024. [Following the conclusion of this expedited effort, the CAISO should evaluate when and what type of alternative solution is needed for the long term.](#)

### **2. Please provide your organization's feedback on the ISO's proposal to modify the bid cap for energy storage resources to provide bidding flexibility using a proxy opportunity cost value:**

CalCCA has no additional comments at this time.

### **3. Please provide your organization's feedback on the ISO's monitoring and evaluation of the new bidding flexibility provided by the two proposals above. Are there elements and/or thresholds that you feel should be examined in particular?**

CalCCA has no additional comments at this time.

### **4. Please provide any additional feedback:**

CalCCA has no additional comments at this time.