

Southern California Edison (SCE) comments on California Independent System Operator (CAISO)
Maximum Import Bid Price Shaping Factor Analysis (MIBPSFA)¹

SCE thanks the CAISO for the analysis it provided in the whitepaper and the 5/28/24 meeting. The CAISO has identified a minor disagreement between the Business Practice Manual calculation of the MIBP shaping factor and the intended definition in the tariff. The hourly DA SMEC value used in the numerator should be sampled from a representative day of the DAM that did have high priced events rather than simply the most recent DAM data. When entering high price event days, the status quo calculation may result in lower SF calculations than if sampling high priced representative days. SCE supports the CAISO following the intent of the tariff, and thereby changing the SF calculation to sample high priced representative days.

Finally, SCE does not support including WEIM data in the RT SF calculation. For any prudent approach to testing and monitoring, the market should first be monitored for the impacts from the changed DA SF calculation. Subsequently, any impacts from EDAM implementation should be observed. Only after these steps should the CAISO consider integrating any other data into the MIBP calculations.

¹ <https://www.caiso.com/meetings-events/topics/miscellaneous-meetings>