

Convergence Bidding

- ffi PG&E supports the proposed decision with certain critical modifications

- ffi Clarify in ordering paragraph that IOUs are not required to use any of the three strategies and they have flexibility to apply them to meet own circumstances

- ffi **Eliminate after-the-fact reasonableness reviews for defensive bidding strategies**
 - Allow IOUs to pursue defensive bidding after 24-hour notice of strategy to PRG and Energy Division

 - Limit use of defensive bidding strategy to 15 days, or until authority is revoked by the Director of Energy Division, whichever is earlier

- ffi Eliminate hard stop loss limit ---- a loss limit notification is acceptable alternative

- ffi Expand Strategy 1 to include load nodes, inerties and long-start resources
 - Do not limit bidding to nodes or locations where IOU resources located