



Department of Energy

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CAISO 2019 Policy Initiatives Catalog Bonneville Power Administration Comments

Submitted by	Company	Date Submitted
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Bonneville Power Administration (Bonneville) appreciates the opportunity to provide California Independent System Operator (CAISO) comments on its 2019 Policy Initiatives Catalog. Bonneville supports CAISO's addition of initiatives that will increase California's cost-effective supply of highly flexible resources through good market design. Bonneville looks forward to working with CAISO on these initiatives, which address the time frame of resource commitment, clarify with more specificity the need for flexibility, and compensate capacity resources for standing ready to meet these flexibility needs similar to ancillary services. These initiatives address key issues that enhance Bonneville and other Northwest entities' abilities to help provide flexible, low-carbon hydroelectric power to California in a manner that better balances our contribution to more reliably integrating renewable energy for California with our systems' reliability, hydraulic and environmental obligations in the Northwest.

Bonneville is a federal power marketing administration within the U.S. Department of Energy that markets electric power from 31 federal hydroelectric projects and some non-federal projects in the Pacific Northwest with a nameplate capacity of 22,500 MW. Bonneville currently supplies 30 percent of the power consumed in the Northwest. Bonneville also operates 15,000 miles of high voltage transmission that interconnects most of the other transmission systems in the Northwest with Canada and California. Bonneville is obligated by statute to serve Northwest municipalities, public utility districts, cooperatives and then other regional entities prior to selling power out of the region.

This comment addresses changes or omissions to the Policy Initiatives Catalog published by the CAISO on August 29, 2018 since the draft version dated August 8, 2018. Please refer to Bonneville's comment dated August 22, 2018 for our comprehensive feedback on the 2019 Policy Initiatives Catalog process.

Changes or Omissions

4.2 EIM Greenhouse Gas Enhancements (D, E1)

As mentioned in BPA's previous comment on this catalog, BPA urges the CAISO to continue working with the California Air Resource Board (CARB) to resolve the remaining secondary dispatch. CARB's recent proposed amendments to the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions and California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation presume continued work between the CAISO and CARB to assess enhancements to the EIM market design. BPA believes continued work is needed to achieve an accurate and equitable accounting of GHG emissions attributable to EIM imports to California.