From: Elizeh, Edison G (BPA) - SR-7 [egelizeh@bpa.gov]

Sent: Monday, October 31, 2011 3:44 PM

To: Market Design Cc: Elizeh, Edison

Subject: BPA's request on Export of Ancillary Services Initiative - 2011 Market

Design Initiatives Catalog

Stakeholder Comments 10/31/2011 – Catalog of Market Design Initiatives

Submitted by: Edison G. Elizeh, Corporate Strategy, Bonneville Power Administration, (503) 230-4105

Bonneville Power Administration (BPA) appreciates the opportunity to provide the following comments to the Catalog of Market Design Initiatives, section 5 Ancillary Services, subsection 5:10 Export of Ancillary Services.

BPA supports the development of an appropriate CAISO market design for bidding ancillary services, and/or for scheduling on-demand export of ancillary services. BPA appreciates the concerns of CAISO load serving entities who believe the reliability of their load should not be jeopardized for the purpose of allowing exports of ancillary services from CAISO. However BPA, like any other balancing authority, may need the opportunity from time to time to access ancillary resources located in the CAISO foot print in order to manage its system. Similarly we believe CAISO occasionally requires imports of ancillary services to maintain its system reliability. Therefore, CAISO tariff and market protocols should allow for imports and exports of ancillary services and its implementation should be moved toward an intra-hour scheduling platform. As such BPA requests the CAISO not postpone the market design initiative and comply with the current schedule as imposed by FERC in 9/21/2006 MRTU Order.

Thank you Edison Ghorbani Elizeh Strategy Integration egelizeh@bpa.gov 503-230-4105 (office) 503-318-4541 (cell)