Portland General Electric Comments CAISO Draft 2019 Policy Initiative Catalog

Submitted by Aaron Rodehorst, <u>aaron.rodehorst@pgn.com</u> and Johnny Useldinger, johnny.useldinger@pgn.com

Portland General Electric Company ("PGE") appreciates the opportunity to provide comments on the draft 2019 Policy Initiatives Catalog. PGE looks forward to continuing to work with the ISO and fellow stakeholders as the 2019 policy initiatives catalog process moves forward. PGE continues to support the majority of the ISO's in-progress stakeholder initiatives, including the Intertie-Deviation Settlement and Imbalance Conformance Enhancement initiatives.

PGE's comments are organized into four sections: Reliability Coordinator; EIM Offer Rules – EIM Resource Sufficiency Evaluation; Extend Day-Ahead Markets to EIM Entities; and Discretionary Initiatives.

Reliability Coordinator

PGE notes that in 2019 the ISO will become the reliability coordinator (RC) for the ISO Balancing Authority Area (BAA) as well as other BAAs that elect to receive RC services from the ISO. While not a stakeholder catalog item *per se*, standing up and certifying this service will require the ISO to dedicate significant resources to this effort. With Peak RC's announcement that it will wind down operations by December 31, 2019, the ISO's successful completion of this initiative is critical for the continued reliable operations of the Western interconnection. PGE supports the ISO's allocation and prioritization of its resources to ensure the completion of the RC certification process in a timely manner.

EIM Offer Rules – EIM Resource Sufficiency Evaluation

In sections 3.2 and 4.8 of the ISO's draft 2019 Policy Initiatives Catalog, the ISO cites the work completed in recent EIM Offer Rules workshops as reasons for precluding or closing initiatives. As part of its explanation, the ISO states that it, "...will continue to assess potential improvements that do not require policy or tariff changes...". PGE stresses the importance of continuing work amongst stakeholders to move forward on the improvements to Resource Sufficiency tests that can be made without policy or tariff changes (i.e., the content addressed through EIM Offer Rules comments filed by parties on July 19, 2018). While the improvements are not formally identified as an initiative, PGE places the Resource Sufficiency improvements as a top priority, because identifying and implementing Resource Sufficiency improvements will compete for the limited staff time and resources that the ISO can dedicate to the many work streams that are ongoing at the ISO.

Extend Day-Ahead Markets to EIM Entities

¹ In Section 3.2, the ISO precludes PGE's proposed initiative titled "Energy Transfer System Resources (ETSR) Ramping Profiles during Contingencies". In Section 4.8, the ISO closes "EIM Offer Rules – EIM Resource Sufficiency Evaluation".

PGE supports the initiatives grouped in 6.1.19 as "Extend Day-Ahead Markets to EIM Entities." PGE agrees with the ISO that this group of initiatives² could bring many of the benefits of day-ahead market participation, including enhanced renewable resource integration, to the EIM and that this extension may provide value to all market participants. PGE supports the ISO's incorporation of this effort into the initiatives Roadmap.

PGE also supports the ISO's continued progress on the Day-Ahead Market Enhancements- Moving to 15-Minute Granularity and Day-Ahead Market Enhancements- Day-Ahead Flexible Ramping Product initiatives.

Discretionary Initiatives:

Further, PGE supports the following discretionary initiatives

- Market Settlement Timeline Transformation
- Settlement of Non-Conforming Loads in EIM Balancing Areas
- Over/Under Scheduling Load Enhancements.

Finally, PGE continues to support the Real Time Market Enhancements initiative initially slated for 2017 that was recently reprioritized. PGE understands that the ISO has identified a relatively straightforward path to accomplishing the goals of this initiative. PGE is hopeful that with this re-scoping, the ISO can move forward with this initiative which received near-universal support during the 2017 catalog process.

PGE looks forward to continuing to work with the ISO and fellow stakeholders on the 2018 Initiative Roadmap.

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² The sub-initiatives categorized under "Extend Day-Ahead Markets to EIM Entities" includes: Align Transmission Access Charge (TAC) Paradigms; Day-Ahead Resource Sufficiency Evaluation; Transferring Bid Range; Greenhouse Gas Attribution Approach for Day-Ahead; Congestion Revenue Rights Extended Footprint.