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via e-mail: initiativecomments@caiso.com

Subject: Consolidated EIM Initiative from 2017 Roadmap – Issue Paper

Thank you for the opportunity to comment on the Consolidated EIM Initiatives from 2017 Roadmap Issue Paper. At this point in the process, PGP has comments only on the Net Wheeling Charge portion of the Issue Paper.

Continue to Monitor Lost Revenue

PGP recognizes the distinction being made in the Issue Paper between lost transmission revenue and equitable sharing of EIM benefits. PGP appreciates the analysis conducted as part of the EIM Enhancement Year 1 Phase 2 process that did not find any changes to bilateral scheduling. However, that analysis was conducted in 2015 when PacifiCorp was the only EIM Entity. Since that time the geographic footprint of the EIM has grown and will continue to expand. For that reason, it seems appropriate for the ISO to plan for and conduct an analysis in 2018 to assure no significant loss of transmission revenue is occurring. PGP believes this analysis should be planned to be conducted and not rely on an EIM entity to bring information forward to the ISO in order to initiate the review.

Consider Options for Sharing Benefits

PGP supports the exploration of some mechanism to share benefits with an EIM Entity that is wheeled through. ISO and EIM Entities often recognize that transmission access is key to unlocking and expanding the benefits of the Energy Imbalance Market. However, not all transmission systems will be used similarly. EIM Entity systems in the center of the EIM activity will be wheeled through, whereas EIM Entity systems on the border will not be wheeled through. For that reason, some form of benefit sharing seems appropriate, as the transaction that wheels through an EIM Entity's system would not have occurred without that systems participation.

PGP does not have any specific proposal at this time for sharing the benefits, but believes that the approach should be simply and not result in a cost that is so high that it undermines the fundamental economic incentive for the transaction.

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