



September 29, 2016

VIA EMAIL

California Independent System Operator
250 Outcropping Way
Folsom, Calif. 95630
initiativecomments@caiso.com

Re: Comments of Public Power Council on the Drat 2017 Stakeholder Initiatives Catalog

Thank you for the opportunity to comment on the ISO's "2017 Stakeholder Initiatives Catalog" date September 15, 2016 (Catalog). Public Power Council (PPC) is a non-profit trade association that represents the common interests of approximately 100 consumer-owned electric utilities in the Pacific Northwest that are preference power customers of the Bonneville Power Administration (BPA). Many of PPC's members are located within PacifiCorp's balancing authority area both east and west of the Cascades. PPC's interest in this proceeding is in ensuring that our members' delivered power costs are not increased and that they have fair access to the ISO markets to the extent they choose to participate.

Section 6 of the Catalog indicates that all of the succeeding issues in the sections that follow 6 are not issues that the ISO intends to take up in the remainder of 2016 or 2017. Section 10.1 describes the issue of permitting external generating resources to bid into the Energy Imbalance Market ("intertie bidding").

This is a very significant issue for Northwest consumer-owned utilities. Permitting intertie bidding would increase EIM liquidity and competition, reducing costs inside the EIM, and provide opportunities to Northwest consumer-owned electric utilities and BPA to make sales of surplus energy, predominantly carbon-free hydropower. FERC has recognized this in calling for a Technical Conference in Docket ER16-1518 on the subject of technical issues that the ISO believes impede intertie bidding into the EIM. The ISO has indicated that it thinks studies are needed to allow intertie bidding. To the extent that this is correct, the ISO should be getting these studies and stakeholder discussions underway in 2017 so that it can expeditiously resolve obstacles to intertie bidding.

PPC requests that the ISO begin work with stakeholders on this issue at the start of 2017 and be given a high priority so that the work can be completed quickly. Thank you again and we look forward to further discussions with you on this topic.

Sincerely,

A handwritten signature in black ink that reads "Nancy F. Baker".

Nancy Baker
Senior Policy Analyst