PUGET SOUND ENERGY COMMENTS ALISO CANYON PHASE 3 CAISO STAKEHOLDER PROCESS June 20, 2017

Puget Sound Energy (PSE) appreciates the opportunity to provide feedback on Phase 3 of CAISO's Aliso Canyon Gas-Electric Coordination Stakeholder Process. The proposal to extend the effective measures deployed to reliably manage the Aliso Canyon natural gas storage facility to broader-scope gas pipeline modeling is a welcome improvement to the operations of the ISO. In particular, PSE is supportive of extending this capability to the ISO's Western Energy Imbalance Market (EIM), of which PSE is a participant.

PSE echoes the sentiment expressed in the Straw Proposal, dated June 2, 2017, that making the Maximum Gas Burn Constraint a permanent operational tool will be beneficial to overall ISO operations. This tool provides greater flexibility than manually applying outages on select units.

In addition, PSE appreciates that the ISO envisions that this constraint can be used to address short-term operational challenges, such as curtailment warnings or Operational Flow Orders (OFOs) PSE agrees with comments provided by the Department of Market Monitoring (DMM) that stakeholders should be part of the discussion in the construction and utilization of these nomograms. PSE believes that the measures recommended in Phase 3 of the Aliso Canyon Gas-Electric Coordination Straw Proposal are positive steps forward for the ISO to effectively manage the challenges that can arise from a limited view of the gas pipeline network.