Submit comment on draft summary report

Initiative: Assembly Concurrent Resolution 188

The ISO values stakeholder input on this preliminary draft, and plans to incorporate feedback received during the January 20 stakeholder call, and in written comments submitted by the deadline on February 3, into future iterations to ensure the accuracy and value of the final report. Please submit written comments to infoACR188@caiso.com.

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Provide a summary of your organization's comments on the draft summary report and January 20, 2023 stakeholder call discussion:

APS appreciates the opportunity to comment on the draft summary report, *Impacts of Expanded Regional Cooperation on California and the Western Grid*, and recognizes the collaborative effort that took place to meet the requirements of ACR 188. In response to the information provided in the report and the discussion that occurred over the stakeholder call, APS offers the following overall comments for emphasis and consideration:

- **A multi-state RTO scenario for CAISO must accompany governance changes to ensure participating states will be fairly represented.** The report highlights this high cooperation scenario for its ability to provide the largest margin of benefit to California. The state documents reviewed in the report display that governance is a central issue to a multi-state RTO, and that other multi-state RTOs seat members of their governing boards using membership and stakeholder voting processes to ensure fair representation.
- **Consider the outcomes should a desired level of regionalization not be achieved.** The summary report explores how varying levels of increased market cooperation will impact California in terms of benefits—specifically with respect to reduced costs to customers, greater reliability, and a cleaner generation mix. The included scenarios each show positive impacts at varying degrees given their differing levels of cooperation. Absent from the assessment is a consideration of how California will fair in achieving goals required by SB 100 if the state decides to proceed in ways that dissuade possible participants from formally cooperating in an expanded market.
- **Anticipating how increased regional market cooperation will impact at the BAA level is knowledge entities outside of California will require and use to influence their own levels of market participation.** The summary report acknowledges that cooperation may produce differing levels of benefits across participating states and summarizes existing efforts to fill the information gap. It will be prudent to return to assessing regionalization impacts outside of California once more information is available following the conclusion of the efforts described. Monitoring entities' movement

with other market options will also be a significant variable in anticipating achievable benefits for most participating entities.