



California ISO
Shaping a Renewed Future

Decision on PacifiCorp Energy Imbalance Market Implementation Agreement

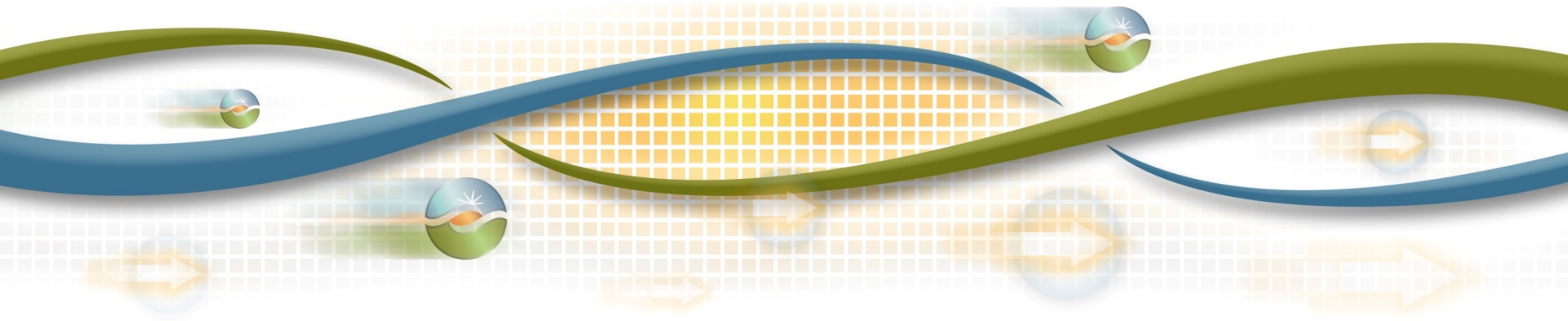
Don Fuller, Director Strategic Alliances

John Anders, Senior Counsel

Board of Governors Meeting

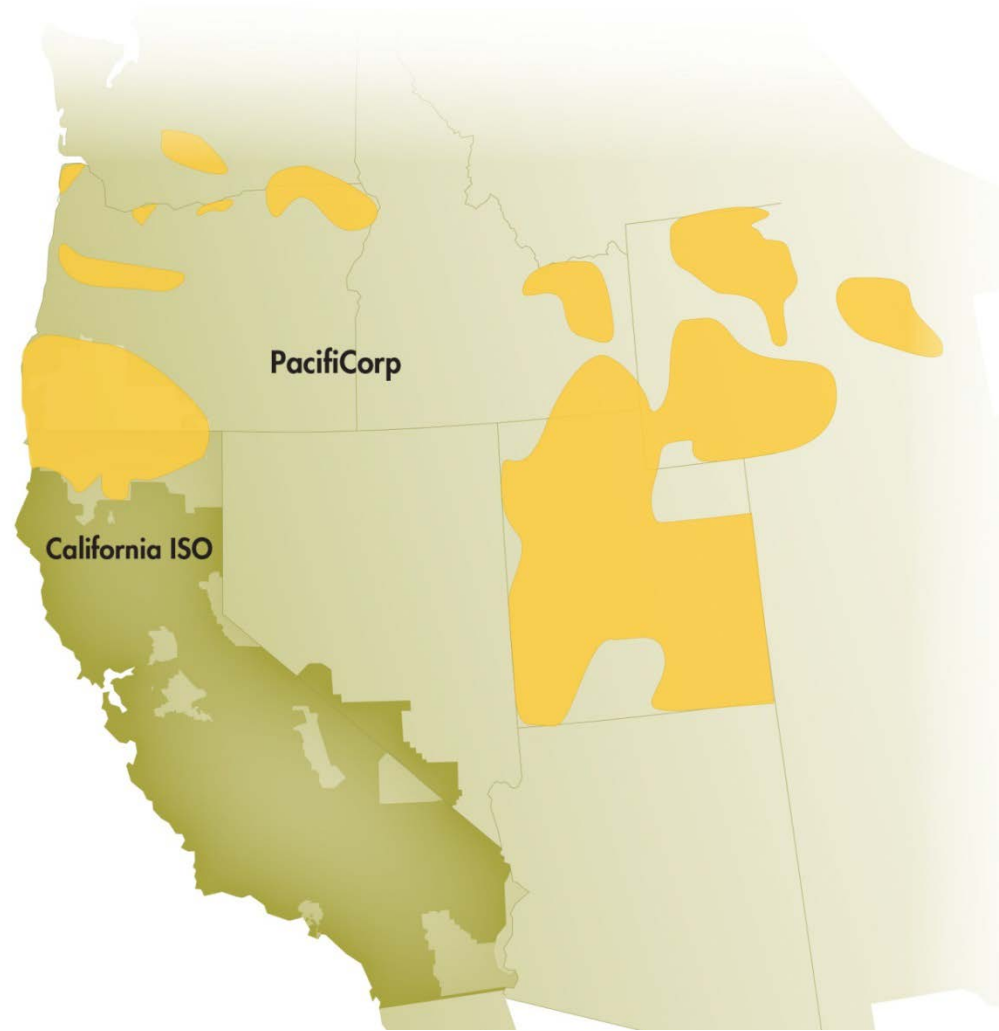
General Session

March 20-21, 2013

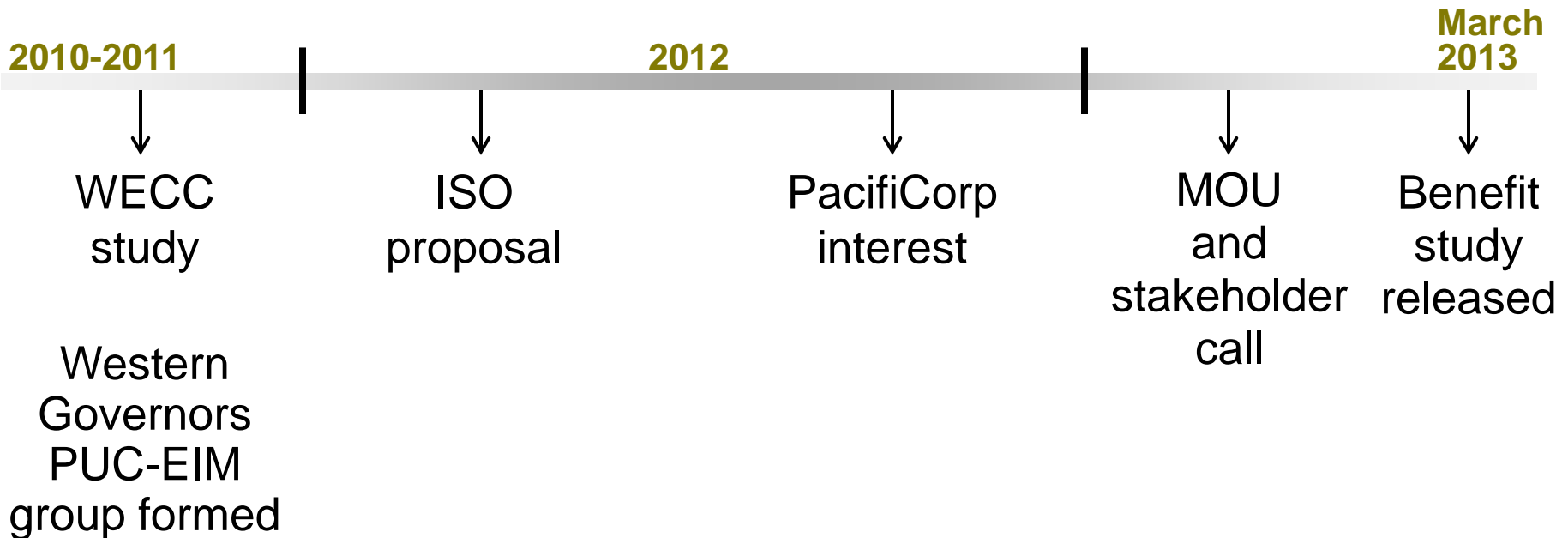


PacifiCorp serves customers in six states

- 1.7 million customers
- 12,000 MW peak demand
- 10,600 MW company-owned generation
- Total of 2,500 MW of wind in PacifiCorp balancing authorities



PacifiCorp and ISO are moving EIM toward implementation



EIM yields significant annual benefits for PacifiCorp and ISO

Transfer capability

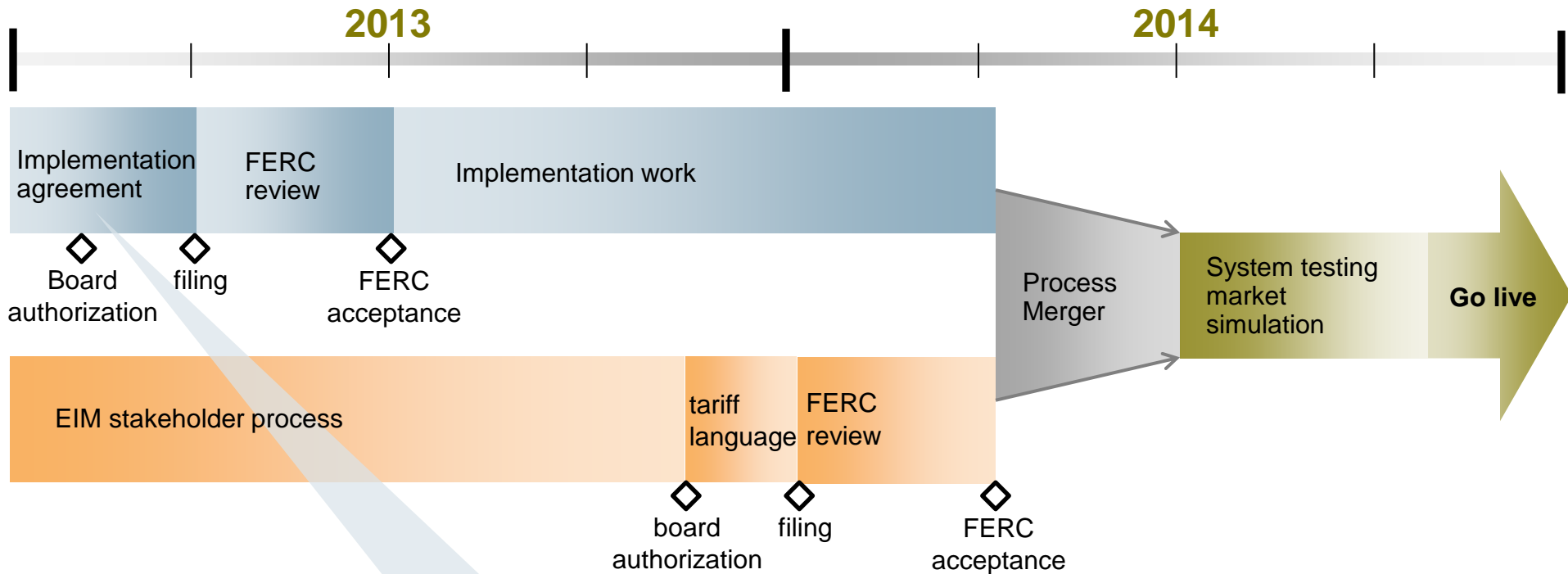
	Low (100 MW)		Medium (400 MW)		High (800 MW)	
	Low	High	Low	High	Low	High
Interregional dispatch	\$14.1	\$11.0	\$22.3	\$17.7	\$22.4	\$17.8
Intraregional dispatch	\$2.3	\$23.0	\$2.3	\$23.0	\$2.3	\$23.0
Flexibility reserves	\$4.0	\$20.8	\$11.0	\$51.3	\$13.4	\$77.1
Renewable curtailment	\$1.1	\$10.8	\$1.1	\$10.8	\$1.1	\$10.8
Total benefits	\$21.4	\$65.6	\$36.7	\$102.8	\$39.2	\$128.7

\$10.5 million to PacifiCorp customers
\$10.9 million to ISO customers

The MOU principles anticipate the needs of EIM stakeholders

- Compatible with existing and emerging markets
- Dependent upon the stakeholder process
- Establish charges based on cost causation
- Contemplate oversight role for EIM participants
- Ensure reliability obligations remain unchanged

EIM requires both PacifiCorp implementation and a successful stakeholder process



- \$2.1 million PacifiCorp payment
- Allows the project description to be adjusted
- Rights and remedies in the event of default
- Off ramps based on significant developments

EIM provides substantial benefit to the ISO and PacifiCorp customers

To capture the EIM benefits, Management requests:

- Support for the stakeholder process
- Authorization for the implementation agreement
- Corresponding increase to the capital budget