

**COMMENTS OF IDAHO POWER COMPANY  
ON CAISO’S REAL-TIME MARKET NEUTRALITY SETTLEMENT  
DRAFT FINAL PROPOSAL**

<b>Submitted By</b>	<b>Company</b>	<b>Date Submitted</b>
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Idaho Power Company (“Idaho Power”) appreciates the opportunity to comment on the California Independent System Operator’s (“CAISO”) Real-Time Market Neutrality Settlement Draft Final Proposal (“Draft Final Proposal”), dated May 30, 2019, and the related proposed draft changes to CAISO’s tariff.

Idaho Power thanks CAISO for initiating this stakeholder process. Idaho Power supports the Draft Final Proposal, the proposed tariff changes, and the timeline on which CAISO proposes to move forward. That being said, Idaho Power reiterates its prior comments on these issues.<sup>1</sup> In particular, Idaho Power encourages CAISO to continue to consider and evaluate alternative solutions to address the treatment of greenhouse gas (“GHG”) awards in the Real-Time Imbalance Energy Offset (“RTIEO”) calculation. It appears that CAISO’s proposal will correct the problems that currently exist with how GHG costs are treated in the RTIEO, and thus Idaho Power supports it as an interim solution. However, Idaho Power believes CAISO’s proposal will add complexity to a

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<sup>1</sup> Idaho Power Comments on CAISO’s Real-Time Market Neutrality Settlement Issue Paper and Straw Proposal (May 14, 2019), *available at* <http://www.caiso.com/Documents/IPCComments-Real-TimeMarketNeutralitySettlement-IssuePaper-StrawProposal.pdf>; Idaho Power Comments on CAISO’s Real-Time Market Neutrality Settlement Workshop (May 24, 2019), *available at* [http://www.caiso.com/Documents/IPCComments-Real-TimeMarketNeutralitySettlementWorkshop-May21\\_2019.pdf](http://www.caiso.com/Documents/IPCComments-Real-TimeMarketNeutralitySettlementWorkshop-May21_2019.pdf).

charge code that is already very complicated. Stakeholders, including Idaho Power, have proposed alternative solutions, including creating a new GHG offset charge code and removing the GHG revenue from the RTIEO calculation. Such an alternative would still appropriately value Energy Imbalance Market (“EIM”) transfers and account for GHG awards and would be more transparent and durable than CAISO’s current approach, particularly if other states enact carbon programs that need to be reflected in these calculations. In meetings, CAISO staff seemed willing to further consider alternative solutions like this in a future stakeholder initiative. Idaho Power encourages CAISO to begin such an initiative this year.

CAISO also requested comments on stakeholders’ preferred option to inform a business practice manual change to standardize Energy Transfer System Resource (“ETSR”) five-minute transfer values. CAISO is considering changes to allow the ETSRs that EIM Entities have with CAISO to reflect five-minute values. Idaho Power does not have an ETSR directly with CAISO and already submits five-minute ETSR values for its ETSRs with other EIM Entities to CAISO. Idaho Power understands that the first option would apply to all ETSRs, including those between EIM Entities (not CAISO). As such, Idaho Power prefers CAISO pursue the second or third options it identified, rather than the first. Allowing EIM Entities that already submit five-minute ETSR data to continue to do so will maintain data integrity and accuracy.

Idaho Power thanks CAISO for commencing this initiative and appreciates CAISO’s and stakeholders’ efforts in developing and considering the proposals. Idaho Power looks forward to continued collaboration on these issues in a later stakeholder process.