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via e-mail: initiativecomments@caiso.com

Subject: Regional Integration GHG Compliance and EIM GHG Straw Proposal

The Public Generating Pool (PGP) appreciates the opportunity to provide comment on the Regional Integration GHG Compliance and EIM GHG Straw Proposal (GHG Straw Proposal). PGP represents ten consumer-owned utilities with a 6,000 MW utility owned asset based that is 96% carbon free. For this reason, the market rules around the treatment of GHG are important considerations for PGP relative to the EIM and potential regional expansion.

Principles

PGP appreciates the CAISO principles that were developed to guide the evaluation of options. A key principle for PGP is "Resource located outside of California must be able to opt out of supporting EIM or regional transfers to serve California load that would be subject to Air Resource Board GHG regulations." Consistent with current practice in the EIM, PGP believes it is appropriate for resources located outside of California to define what portion of a resource they are willing to have serve load in the California and what portion they are not willing to have serve load in California.

Timing for Modified Optimization

PGP understands the benefits of the two-step modified optimization. However, the GHG Straw Proposal indicates that the modified optimization cannot be implemented in 2017 to support Air Resource Board compliance in year 2018. It would be helpful to know when the ISO believes this could be implemented. The amount of time the market would operate under status quo or under a bridge solution is an important consideration.

Bridge Solution

The GHG Straw Proposal indicates that a bridge solution may be necessary. More information about what level of involvement the CAISO may have in developing a bridge solution would be helpful.

Sincerely,

A handwritten signature in black ink, appearing to read "Therese Hampton". The signature is fluid and cursive.

Therese Hampton, Executive Director
Public Generating Pool

Public Generating Pool

Chelan County PUD / Clark Public Utilities / Cowlitz County PUD / Douglas County PUD / Eugene Water & Electric Board
Grant County PUD / Klickitat County PUD / Lewis County PUD / Pend Oreille County PUD / Snohomish County PUD / Tacoma Power