

**Comments of The Utility Reform Network
on CAISO “Draft Greenhouse Gas Emissions Tracking Report”**

November 21, 2016

The Utility Reform Network (“TURN”) offers the following comments to the California Independent System Operator’s (“CAISO’s”) “Draft Greenhouse Gas Emissions Tracking Report and Methodology Paper” posted November 7.

ONGOING GREENHOUSE GAS EMISSION TRACKING IS NECESSARY

TURN appreciates the CAISO’s efforts to begin regular reporting of the GHG impacts of the Energy Imbalance Market (“EIM”). Such reporting is critical to fostering better public understanding of the drivers of GHG emissions and means for their reduction in both the EIM and possibly larger regional markets. In these comments, TURN offers suggestions for increasing the transparency and usefulness of the CAISO’s GHG reporting. TURN is not commenting on the GHG computation methodology itself.

CAISO’S ROUTINE GHG REPORTS SHOULD INCLUDE DATA AND INFORMATION BEYOND THOSE SHOWN IN DRAFT REPORT

The content and format of the document titled “DRAFT – Greenhouse Gas Emissions Tracking Report” (“Draft GHG Tracking Report”) are a good start toward providing a routine, useful report on the EIM’s GHG impacts.¹ However, TURN believes three additional types of information are needed to make the report useful.

- *Data Regarding EIM GHG Impacts in 2014 and 2015:* The CAISO should also compute and make public EIM’s GHG impacts for all months of its existence, dating back to November 2014. These additional data are necessary to assess the overall impact of the EIM on GHGs.

¹ Available at <http://www.caiso.com/Documents/DraftGreenhouseGasEmissionsTrackingReport.pdf>.

- *Data Regarding Changes in Generation and GHG Emissions by Fuel Type:* The final GHG Tracking Report should include additional information by month to illustrate which types of generation (“fuel type”), and their resulting GHG emissions, change due to the EIM. In August, the CAISO provided such information about the first six months of the year (“August Report”).² But the same information should also be provided to illustrate the impact of the EIM on GHGs in each month since then – as well as all future months.
- *Complete Explanations of EIM’s GHG Impacts:* In addition, the CAISO should provide better explanations for the EIM’s GHG impacts. For example, in draft Frequently Asked Questions (“FAQs”) regarding GHG tracking, the CAISO seemed to attribute the increase in 3rd Quarter 2016 GHGs due to the EIM to the fact that “less oversupply of solar is available to export” in the summer.³ To be credible, such explanations must instead explicitly state and explain why the EIM can increase GHGs over certain non-trivial time intervals. The current language of the FAQ suggests that the EIM will necessarily increase GHGs unless there is an oversupply of solar generation.

CAISO SHOULD CLARIFY THE DIFFERENT COMPUTATIONS IT USES TO COMPUTE VARIOUS GHG REDUCTION AND RENEWABLE CURTAILMENT DATA

The CAISO has published data regarding the impacts of the EIM on renewable curtailment and GHGs that appear contradictory.⁴ TURN realizes that such computations may differ based on the CAISO’s specific purpose. However, for the sake of clarity, the CAISO should provide an explanation of the purpose and bases for its various computations, including those related to compliance with California Air Resources Board GHG compliance requirements.

² The “August Report” is available at http://www.caiso.com/Documents/EIMGreenhouseGasCounter-FactualComparison-PreliminaryResults_Jan-Jun_2016_.pdf. See pp. 3-4.

³ See page 2 of FAQs available at <http://www.caiso.com/Documents/GreenhouseGasEmissionsTrackingReport-FrequentlyAskedQuestions.pdf>.

⁴ For example, the GHG impacts shown in the “August Report” do not match the GHG impacts shown at pp. 6-7 of the *Western EIM Benefits Report* for the 3rd Quarter of 2016, available at http://www.caiso.com/Documents/ISO-EIMBenefitsReportQ3_2016.pdf. As an additional example, see pp. 6-7 of the “Comments of The Utility Reform Network in ‘Regional Integration California Greenhouse Gas Compliance’ Stakeholder Initiative”, October 27, 2016, available at <http://www.caiso.com/Documents/TURNComments-RegionalIntegrationCaliforniaGreenhouseGasCompliance-TechnicalWorkshop.pdf>.

ADDITIONAL FREQUENTLY ASKED QUESTIONS WILL BE USEFUL

Based on the above comments, TURN recommends the CAISO add the following questions and responsive answers to its FAQs:

- Why did EIM GHG emissions increase in the summer quarter of 2016?
- What other methods does the CAISO use to compute the GHG impacts of the EIM and why do their results differ from those shown in the Draft GHG Tracking Report?

TURN appreciates this opportunity to comment on the CAISO's GHG tracking actions.

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