

Western Power Trading Forum Comments on EIM Year 1 Enhancements

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The ISO has again requested comments on its Year 1 Enhancements proposal package. However the ISO's proposal remains essentially unchanged from the set of the Year 1 Enhancements which WPTF commented on in December and including the price cap aspect for which WPTF submitted comments on December 31, 2014. WPTF refers the ISO staff to those comments. Rather than repeating those comments herein these comments will be brief.

- WPTF does not support price caps for a transition period for reasons stated in our December 31, 2014 comments. The ISO has provided no additional substance regarding the relative benefits of including such price caps. WPTF strongly urges the ISO to drop this proposal element.
- WPTF does not support the ISO's proposal to remove an EIM Participant's ability to bid its GHG costs for the reasons stated in our prior comments. If the CAISO continues to pursue this approach WPTF strongly urges the ISO to think through how it will manage GHG costs with EIM intertie imports and exports. For example, must an SC declare the specified source of their imported power to have something other than default import rate to apply, and how will the ISO's systems and the EIM's systems accommodate those resource specific import details? We sincerely hope the ISO rethinks the policy of not allowing an SC to bid their actual GHG costs, as going to a registered cost approach creates undo complication and potentially a less accurate GHG cost accounting.
- Lastly, setting GHG aside, it would be helpful for the ISO to specify further how it expects EIM intertie bidding would work, for example if the bids would be managed by the EIM Entity or flow directly to the CAISO for deployment and how the tags would be conveyed between the participant, EIM entity and the ISO.

Thank you for your consideration.