

**COMMENTS OF IDAHO POWER COMPANY
ON THE CAISO'S CONSOLIDATED EIM INITIATIVES**

Submitted by	Company	Date Submitted
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Idaho Power Company (“Idaho Power”) will join the Western Energy Imbalance Market (“Western EIM” or “EIM”) in April 2018. Upon joining, Idaho Power will follow market rules set forth by the market operator, the California Independent System Operator (“CAISO” or “ISO”). Due to its pending participation in the Western EIM, Idaho Power has a direct interest in stakeholder initiatives such as these that may ultimately govern operation of the market.

Idaho Power appreciates CAISO’s efforts to continually improve upon its market offerings through its stakeholder processes. In order to support the CAISO’s efforts for market improvement, on August 7, 2017, representatives from Idaho Power attended a stakeholder meeting to discuss the CAISO’s proposed Consolidated EIM Initiatives. Idaho Power respectfully submits these comments related to the Equitable Sharing of Benefits portion of the Consolidated EIM Initiatives.

Idaho Power recognizes that the Western EIM is structured in such a way that transactions may wheel through EIM Balancing Authority Areas (“BAAs”) and may not financially benefit the EIM entity who facilitates such a transfer between two neighboring

EIM market participants. The Equitable Sharing of Benefits initiative begins with the premise that financial benefits related to wheel-through transactions should be more equally distributed to the entity that is facilitating a transfer between adjoining BAAs. Idaho Power is not necessarily opposed to such an initiative in the future; however, Idaho Power believes that it is premature at this time. Due to changes in the market as membership increases, Idaho Power believes that flow-through options will evolve. As the market currently stands, this initiative appears to be solving a problem where it is not clear one exists. Idaho Power would like to see more historical data and analysis in order to more fully understand the issue and ensure that such an approach would not create additional burdens for existing EIM entities.

Based upon data presented and discussions with active market participants, Idaho Power does not believe that a problem currently exists. Therefore, Idaho Power believes it is premature to change the structure of benefit sharing or compensation at this point in the market expansion. Because a structure creating financial benefits for an entity facilitating flow-throughs transactions is not a concern for existing market participants, Idaho Power believes that the ISO should focus its efforts on other, higher priority items. Such items could include continuing to expand the EIM footprint and continuing to improve market design issues to assist participating BAAs to reliably operate in the market (i.e., Dynamic ETSR ramp rate constraints, flexible ramp test failure impacts, and additional refinements to generation modeling to reflect unique generator qualities of hydro facilities).

Idaho Power appreciates the opportunity to submit its comments and is looking forward to continued collaboration with CAISO as it works toward joining the Western EIM next April.