

Portland General Electric Comments
Consolidated EIM Initiatives Draft Final Proposal dated September 5, 2017

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Portland General Electric:

On October 1, 2017, Portland General Electric (PGE) will become the fifth entity to join the Western EIM. At that time, PGE will begin managing its diverse generation and transmission assets according to the rules of the EIM, while also continuing to participate in the ISO's forward markets and retaining its responsibilities as an independent Balancing Authority. As such, PGE has a vested interest in the market policies of the ISO and Western EIM.

Comments:

Removal of Third Party Transmission Contribution, Management of Bilateral Schedule Changes, and Equitable Sharing of Wheeling Benefits from Proposal:

PGE supports the removal of these items from the Consolidated EIM Initiatives draft final proposal. PGE agrees with the ISO and its fellow stakeholders that these initiatives, as they were scoped by the ISO, do not have a high cost-benefit ratio given other more pressing priorities.

However, PGE notes the following:

- The seams issues identified in the Management of Bilateral Schedule Changes proposal remain critical to the efficient functioning of the EIM for market participants outside the California ISO BAA. For this reason, PGE supports the 2018 Stakeholder Catalog submission made by the Bonneville Power Administration titled "Shortening EIM Timelines for Binding Schedules"¹. PGE is hopeful this initiative, if undertaken in 2018, will revisit the issues tabled from the current EIM Consolidated Initiatives draft final proposal, and that stakeholders and the ISO will be able to develop robust market design enhancements that improve the efficiency, reliability, and attractiveness of the EIM by allowing it to integrate seamlessly with both the ISO's intertie bilateral market, and the non-ISO bilateral market.
- The ISO's proposal to publish results from its monitoring of "EIM Wheeling Benefits" in the EIM Quarterly Benefits Report is premature. As was identified by a number of stakeholders in written and in-person comments, the ISO's process for identifying wheeling benefits does not consider a number of variables impacting the volume of apparent wheel-through transfers. PGE prefers a measured approach before releasing data to stakeholders, regulators, and policy makers that could lead them to draw incomplete conclusions. If the ISO sees value in publishing this data, PGE requests a technical workshop for impacted stakeholders to work with the ISO to transparently address as many of the gaps in the analysis before reports are published.

New EIM Functionalities:

¹ <http://www.caiso.com/Documents/BPA-SubmissionForm-2018PolicyInitiativesCatalog.pdf>

PGE welcomes the addition of new EIM Entities, and the reliability and economic efficiency benefits an expanded EIM footprint should bring. PGE appreciates the ISO's efforts to accommodate requests of new EIM market entrants while ensuring the EIM remains a level playing field for all current and future entities. PGE supports the minor changes to the ISO's Tariff contemplated in this Proposal. In PGE's assessment, the changes proposed are beneficial to the overall functioning of the EIM, and should improve market outcomes and market engagement opportunities for all participants.

Conclusion:

PGE appreciates the opportunity to submit these comments and looks forward to continuing to work with the ISO, as well as its market participants and stakeholders, to maximize the value of the Western EIM as its footprint expands.