

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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The Public Generating Pool (PGP) is made up of nine consumer-owned electric utilities in Washington and one consumer-owned utility in Oregon. PGP supports the ISO’s efforts to explore a governance structure that reflects regional interests. PGP and its member utilities believe it is essential that the interests of all states with load-serving entities that can be impacted by the market be part of the formal decision making processes. PGP also believes It is important that market impacts to entities within adjacent balancing authorities that are not part of the ISO market also be given due consideration.

PGP understands that regional integration can provide benefits and solutions to the efficient integration of renewable resources for California entities. However, the planning studies and assumptions associated with identifying the range of impacts of a regional market must be reasonable, and any potential regional benefits must be properly allocated.

<p>1. Do you think the proposed study framework meets the intent of the studies required by SB350? If no, what additional study areas do you believe need to be included and why?</p>
<p>Comment:</p>

<p>2. Five separate 50% renewable portfolios are being proposed for 2030 as plausible scenarios for the purpose of assessing the potential benefits of a regional market. Are these portfolios reasonable for that purpose, and if no, why?</p>
<p>Comment:</p>
<p>3. To develop the five renewable portfolios the RESOLVE model makes a number of assumptions resulting in a mix of renewable and integration resources for the scenario analysis (rooftop solar, storage, retirements, out of state resources etc.) Do you think the assumptions associated with developing the renewable portfolios are plausible? If no, why not?</p>
<p>Comment:</p>
<p>4. The renewable portfolio analysis assumes certain costs and locations for the various renewable technologies. Do you think the assumptions are reasonable? If no, why not?</p>
<p>Comment:</p>
<p>5. The renewable portfolio analysis makes assumptions about the availability and quantity of out-of-state renewable energy credits (“RECs”) to California. Do you think the assumptions are plausible? If no, why not?</p>
<p>Comment:</p>
<p>6. The renewable portfolio analysis makes assumptions about the ability to export surplus generation out of California (i.e., net-export assumptions). Do you think these assumptions are reasonable? If no, why not?</p>
<p>Comment:</p> <p>When considering the ability to export surplus energy, it is important to consider known historical system constraints. There are months when the Pacific Northwest historically is challenged with oversupply conditions, which consist of displaced regional thermal and nuclear resources, regional hydro generation operating at maximum generation levels, wind output near nameplate capacity, and low regional demand. It</p>

is not realistic to assume that during such periods the CAISO will be able to export any/all of its surplus energy to the Pacific Northwest. During these periods, PGP would propose that the CAISO model the export of energy predominantly to the Desert Southwest to displace thermal resources, limited by the transfer capability between the CAISO and the Desert Southwest. The CAISO should also evaluate that during this same period of low seasonal demand, renewable energy inside the CAISO being curtailed to re-establish load/resource balance.

7. Does Brattle’s approach for analysis of potential impact on California ratepayers omit any category of potential impact that should be included? If so, what else should be included?

Comment:

8. Are the methodology and assumptions to estimate the potential impact on California ratepayers reasonable? If not, please explain.

Comment:

9. The regional market benefits will be assessed based on assuming a regional market footprint comprised of the U.S. portion of the Western Interconnection. Do you believe this is a reasonable assumption for the purpose of this study? If not, please explain.

Comment:

It is unreasonable to assume that by 2030, the CAISO will have expanded its footprint to include the entire Pacific Northwest and Basin, BANC, TID, LADWP and the Desert Southwest. Assuming this large and expansive of a footprint will overstate the benefits that can practically be achieved and create a false sense of expectation.

PacifiCorp is the only entity that has publicly expressed interest in fully integrating as a Participating Transmission Owner with the CAISO and could be the only Balancing Authority Area assumed to be added to the ISO footprint in a conservative or “low” case. A more realistic assumption for a less conservative approach or “high” case would be to assume all of the current EIM Entities and all balancing authorities currently in process of joining the EIM are added to the ISO footprint by 2030. Any assumption that broadens the ISO footprint beyond that would be unfounded.

The assumptions made for how benefits would be allocated regionally are also key components of the study. For example, if integrating the PacifiCorp Balancing Authority

Area into the CAISO provides the CAISO with increased access to latent flexible capacity, it is important that the benefits are allocated appropriately between the CAISO and PacifiCorp and that the benefits of that flexible capacity is not all assumed to go to California ratepayers.

10. For the purpose of the production cost simulations, Brattle proposes to use CEC carbon price forecasts for California and TEPPC policy cases to reflect carbon policy implementation in rest of WECC. Is this a reasonable approach? If not, please explain.

Comment:

11. BEAR will be using existing economic data, and generation and transmission data from E3, the CAISO, and Brattle. These data are currently being developed. Are there specific topics that you want to be sure to be addressed regarding these data?

Comment:

12. The economic analysis will focus on the electricity, transportation, and technology sectors to develop the economic estimates of employment, gross state product, personal income, enterprise income, and state tax revenue. These results will be further disaggregated by sector, occupation, and household income decile. Do you think these sectors are the appropriate ones on which to focus the job and economic impact analysis? If no, why?

Comment:

13. Under the proposed study framework, both economic and environmental impacts of disadvantaged communities will be studied. Based on the study overview do you think this satisfies the requirements of SB350?

Comment:

14. The BEAR model will evaluate direct, indirect, and induced impacts to income and jobs, including those in disadvantaged communities. Do you think additional economic analysis is required? If yes, what additional analysis is needed and why?

Comment:

15. The environmental analysis will evaluate impacts to California and the west in five areas – air quality, GHG, land, biological, and water supply. Do you think additional environmental analysis is required? If yes, what additional analysis is needed and why?

Comment:

16. The environmental analysis presentation identified a number of potential indicators for the various impacts. Are the indicators sufficient? If no, what additional indicators would you suggest?

Comment:

17. Other

Comment: