

**PUGET SOUND ENERGY COMMENTS**  
**CONSOLIDATED EIM INITIATIVES STRAW PROPOSAL**  
**August 17, 2017**

Puget Sound Energy (PSE) appreciates the opportunity to provide the following comments on the California Independent System Operator's (CAISO) straw proposal on the Consolidated EIM Initiatives.

**A. COMMENTS**

1. *CAISO Should Address Management of Bilateral Schedule Changes by Adjusting the Market Timeline to Allow Schedule Changes Closer to the T-20 Deadline.*

PSE appreciates CAISO's explanation of the actions that EIM Entities may take to manage the impacts associated with bilateral schedule changes. While the actions specified by the CAISO are important tools in managing bilateral schedule changes, PSE believes that the best way to address the issues that arise with bilateral schedule changes is to adjust the market timeline to allow schedule changes closer to the T-20 deadline without the risk of incurring imbalance charges. On the straw proposal stakeholder call, CAISO indicated that it would explore these changes in its upcoming initiative on real time market enhancements. PSE would strongly support this action.

2. *Moving Forward with the Equitable Sharing of Wheeling Benefits Initiative is Unnecessary and Premature Given the Data Available on This Issue.*

PSE believes that the proposal on the equitable sharing of wheeling benefits is unnecessary at this time. The chart on page 18 of the CAISO straw proposal indicates that net wheeling is not currently an issue for EIM Entities since none of the EIM Entities experienced more net wheeling than import and export transactions during the time period analyzed by the CAISO. We do recognize, however, the limited nature of the data contained in the straw proposal and that further examination of the proposal may be warranted in the future.

Commenters on the CAISO straw proposal stakeholder call pointed out that the data in the straw proposal is limited in duration (9 months) and therefore does not account for annual variability in the market. The data is even less representative when viewed in light of the

upcoming implementation of several new entities into the EIM. The impact that these entities may have on the relative magnitude of net wheeling in the market is unascertainable at this time. As such, PSE suggests that the CAISO wait until a more robust and representative data set is available before examining whether to move forward with this initiative.

**B. CONCLUSION**

For the reasons set forth above, PSE believes that the CAISO should address the management of bilateral schedule changes by adjusting the market timeline to allow changes closer to the T-20 deadline, and cease consideration of the equitable sharing of wheeling benefits until a more robust and representative data set is available.