

Valley Electric Association, Inc Comments on EIM GHG Design Second Revised Draft Final  
Proposal

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Valley Electric Association, Inc. (VEA) appreciates the opportunity to provide comments on the CAISO's EIM GHG Design Second Revised Draft Final Proposal posted February 20, 2018 and stakeholder call held on February 22, 2018.

VEA has a vested interest in the ISO's EIM GHG market design enhancements. As we have conveyed in previous comments submitted into this stakeholder process, VEA currently incurs significant costs due to a misalignment between the current GHG accounting mechanism and its application to non-California ISO load (e.g., VEA's Nevada load). The ISO has acknowledged the inaccurate treatment of VEA's Nevada load under the current design, and Steve Berberich committed at the July 26<sup>th</sup> 2017 Board Meeting to work with VEA and find a solution to address this issue. While the previously proposed two-pass approach did not upon implementation include a solution for VEA, it was easily adaptable to accurately treat VEA's Nevada load as non-California load. The ISO staff's current proposed approach takes a step in the opposite direction and moves away from a design that could lend itself to accurately address both VEA's issue as well as the ever-increasing likelihood of a multi-GHG regime paradigm.

Therefore, VEA continues to request that the ISO work towards a design that will use state geographic boundaries such that appropriate treatment will be applied to VEA's non-California load and be able to accurately delineate load subject to different GHG and non-GHG regimes that are forthcoming. If the ISO does not intend to pursue a robust resolution then VEA respectfully requests the ISO re-engage with VEA to address this issue – an issue that has been an ongoing and costly one for VEA.