



**COMMENTS OF NV ENERGY ON ENERGY IMBALANCE MARKET
YEAR 1 PHASE 2 ENHANCEMENTS**

CAISO STAKEHOLDER PROCESS

SEPTEMBER 29, 2015

NV Energy generally supports the Energy Imbalance Market Year 1 Phase 2 Enhancements proposed for approval by the Board of Governors in November 2015: EIM transfer congestion rent treatment; dynamic competitive assessment for market power mitigation of EIM transfer limits; outage reporting to Peak Reliability Coordinator; and Standard base schedule treatment for e-Tags. NV Energy also supports deferring stakeholder process on additional areas of enhancements until gathering and review of additional data, and isolating certain significant issues in separate stakeholder processes.

Regarding the EIM congestion rents, NV Energy agrees with the methodology of splitting equally the congestion rents on an EIM transfer tie between two balancing authorities in the EIM footprint. NV Energy also agrees that the proposed methodology for allocating congestion rents related to EIM transfer limits and congestion rents related to intertie scheduling limits at EIM transfer ties that involve a non-EIM BAA appears to be just and reasonable.

Regarding the standardization of e-Tag treatment in the base schedule, NV Energy strongly supports requiring all EIM Entities to adopt a standard protocol of including approved, pending and adjusted e-Tags in their base schedules as a means to communicate import/export base schedules that match across an interface. Doing so should eliminate customer confusion and differing settlement treatment by two BAAs involved in an inter-BAA schedule.