

Valley Electric Association, Inc Comments on EIM GHG Draft Attribution Report Materials
and Next Steps

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Valley Electric Association, Inc. (VEA) appreciates the opportunity to provide comments on the CAISO's EIM GHG Draft Attribution Report Materials.

VEA has a vested interest in the ISO's EIM GHG market design enhancements. Given the issues identified with the current proposed approach, VEA understands the ISO is soliciting comments on what other options, if any, the ISO should now consider or if modifications to the currently proposed two-phased approach would alleviate the issues. 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). As has been made clear throughout the EIM GHG stakeholder process, the current GHG accounting mechanism does not support a multi-state RTO. Yet the ISO is already a multi-state RTO, and has been ever since VEA became an ISO member. In addition to VEA's participation, the likelihood of another GHG regime – e.g., an Oregon program – is increasing.

While the ISO engages in continued discussions with stakeholders, VEA urges the ISO to take a proactive approach and recognize that other CA-like GHG regimes are on the near horizon. Thus, any solution determined through this process should be implemented in such a way as to easily adapt and expand to incorporate a multi-GHG regime paradigm. To facilitate a multi-state GHG regime, the ISO would need to be able to accurately delineate between state geographical boundaries, requiring a shift away from the current ISO BAA boundary as a proxy for state boundaries. Such a shift would also enable the ISO's design to no longer consider Valley's non-California load as subject to the CA GHG program, an issue the ISO committed to working with VEA to address at the July 26th Board meeting.

Therefore, VEA requests that the ISO ensure that the design implemented 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.

VEA appreciates the CAISO's consideration of these comments and looks forward to further discussions.