

## Puget's integration into the CAISO EIM

### Public Generating Pool Comments

October 23, 2015

The Bonneville Power Administration (BPA) has requested comments on several items regarding its involvement in Puget Sound Energy's integration into the California Independent System Operator (CAISO) Energy Imbalance Market (EIM). The Public Generating Pool (PGP) has provided its comments for each item below.

1. Type of discussions you would prefer (outreach process):
  - a. Public meetings?
  - b. Individual meetings?
  - c. Focus groups?
  - d. Other, please describe

It would be ideal to have all discussions via public meetings. The meetings could be organized by topic area so that customers can opt in and out depending on what topics are of interest to them. Any individual meetings should be posted with agendas for transparency purposes and limited to discussions that contain sensitive information regarding a customer's specific contract, generation or other assets.

2. How often do you think the stakeholder group should meet (frequency of meetings)?:
  - a. Monthly
  - b. Every two weeks
  - c. Other, please describe

PGP believes BPA should meet with its customers monthly to discuss different aspects of Puget's integration into the CAISO EIM as there are many issues to cover.

3. Are the 3 primary subject areas identified during the Transmission Customer Forum encompassing of the issues that BPA should discuss?
  - a. 3 subject areas currently identified: Operations and reliability, access to transmission, and transfer service

If Puget's use of its existing BPA transmission rights for EIM transfers falls into one of these categories, then yes. Otherwise, there needs to be a new category to cover this issue. A category such as BPA Transmission policy and business practices may be more appropriate for this issue. This new subject area would include BPA's interpretation of its existing business practices and, if applicable, any changes required prior to PSE proceeding in the CAISO EIM.

4. What other specific issues do you want to be discussed during the BPA Stakeholder Forum? Please list the issues and provide a brief description
- **Lessons Learned:** PGP would like to understand the lessons learned from BPA's process of integrating PacifiCorp into the CAISO EIM. For example, since originally agreed, has BPA changed its policies or agreements related to PacifiCorp joining the EIM?
  - **PSE using its BPA Transmission Rights for EIM Transfers:** BPA did not allow PacifiCorp to use its BPA transmission rights for EIM transfers. PGP would like to know if the same will be true for PSE or if BPA plans to change its policy.
  - **Dynamic Transfer Capability (DTC) Limits:** BPA defined upper and lower limits for integrating PacifiCorp into the CAISO EIM by analyzing PacifiCorp's historic use of DTC on the BPA network. At the time BPA committed to evolve the methodology for calculating the DTC limits on the network flowgates to using static nomograms and eventually real-time nomograms using the state estimator. PGP would like BPA to address the following:
    - Timeline for the evolution of the methodology for calculating the DTC limits on the BPA network flowgates.
    - How the DTC limits will be allocated to the CAISO EIM and other DTC users once nomograms are used for the calculation.
    - CAISO's performance in keeping EIM flows within the upper and lower limits since the limits have been implemented.
  - **New Flowgate Additions:** When PacifiCorp was integrated into the CAISO EIM, the CAISO included some, but not all, of the BPA flowgates into the network model. The criteria used to add flowgates was that the EIM Entity's resources had to have at least a ten percent impact on the flowgate. PGP anticipates that new

flowgates will be added to the network model and upper and lower limits will be calculated for those flowgates as a result of PSE joining the CAISO EIM. Specifically, will the North of Echo Lake flowgate be added.

- **Congestion Management 1:** BPA committed to implement a congestion management proposal when PacifiCorp joined the CAISO EIM. The proposal consisted of two parts: (1) The upper limit on the flowgates would be limited by the System Operating Limit as to ensure that CAISO EIM flows were not the cause of a flowgate overload and (2) BPA would send CAISO a relief obligation to the CAISO for the EIM flows that were curtailed to ensure that generators that actually provided relief are redispatched when the flowgate is curtailed. PGP would like BPA to address the following:
  - Have the upper and lower limits been working as anticipated? In other words, does the upper limit take into account the System Operating Limit of the flowgate and have the CAISO EIM flows kept within the limits?
  - An update on BPA's relief obligation proposal.
- **Congestion Management 2:** Several months ago, BPA made changes to its network flowgate curtailment calculator (iCRS) that consisted of changing the assumptions for what generation was used to replace the generation that was curtailed. For example, PSE's internal generation is no longer assumed to re-supply MWs when a PSE schedule is curtailed, rather the Mid-C is assumed to provide the resupply. The change in assumptions resulted in much deeper curtailments on many of the flowgates to achieve the relief requested. PGP would like to know if the implementation of the upper and lower limits allow for changes to the re-supply generation for PSE and PAC when those schedules are curtailed and what flowgates are most impacted if those assumptions change.
- **Scheduling:** Will BPA have sufficient visibility into EIM transfers from PSE if PSE is wheeling through PacifiCorp to get to the CAISO? Is BPA transmission sufficiently protected through the Upper and Lower Limits?