



Submitted by	Company	Date Submitted
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**PacifiCorp’s Comments on the Day-Ahead Market Enhancements
Fifteen-Minute Granularity Second Revised Straw Proposal**

PacifiCorp hereby submits the following comments to the California Independent System Operator Corporation (“CAISO”) on the Day-Ahead Market Enhancements: 15-Minute Granularity second revised straw proposal, published August 27, 2018 (“Straw Proposal”). PacifiCorp appreciates the opportunity to provide comments for the CAISO’s consideration.

Base Schedules Submitted with 15-Minute Granularity

The CAISO is proposing to change the energy imbalance market (“EIM”) base schedule granularity from hourly to 15-minute intervals. PacifiCorp supports this proposal and understands that all base schedules, including generator base schedules and intertie e-Tags, will be required to be submitted with 15-minute granularity.

PacifiCorp would like to understand if changes to the bid range capacity test intertie deviation histogram will be required to implement 15-minute scheduling granularity. For example, please provide additional information as to how the histogram might function differently for deviations that may occur in the first 15-minute interval, but not subsequent intervals during the hour.

In the Straw Proposal, the CAISO states, “In order to accommodate the fifteen-minute bidding intervals (96 intervals total), the CAISO proposes changing the bid submission deadline for the day-ahead market from 10:00 AM to 9:00 AM to allow additional processing time.” Does the CAISO anticipate additional processing time will be needed to accommodate the EIM base schedule submissions with 15-minute granularity?

Lastly, PacifiCorp notes that the ability to submit 15-minute schedules will be dependent on the ability of the software vendors to modify, test and deliver updated software, and will likely require modifications to EIM entities’ internal business processes. PacifiCorp recommends that the CAISO publish proposed technical specifications and business practice revisions as early as possible prior to implementation.

Over and Under Scheduling Charges

In the Straw Proposal, the CAISO proposes to modify the determination of whether an EIM entity’s load imbalance reaches penalty thresholds from an hourly evaluation to a 15-minute evaluation. PacifiCorp understands that the threshold percentages will not change but the minimum MWh for



imbalances exceeding 5% will be reduced from 2 MWh to 0.5 MWh, applied to each 15-minute interval. PacifiCorp seeks clarification regarding whether and how the over and under scheduling charges will be prorated to apply to each 15-minute interval.

EIM Designated Regulation Reserves

PacifiCorp supports the CAISO's settlement of regulation energy proposal, as it will assist in moving regulating energy from uninstructed imbalance energy to instructed imbalance energy, which is expected to improve uplifts and other metrics influenced by uninstructed imbalance energy. However, PacifiCorp continues to be concerned that by requiring PacifiCorp to designate specific regulating reserves it may be carrying more flexibility within its balancing area than is required in the EIM or even as a stand-alone entity. PacifiCorp also pointed out in its previous comments that it is uniquely disadvantaged because it is not allowed to share its flexible resources between PACW and PACE, further requiring it to hold more reserves than required for its own needs. Please provide additional clarification of how the regulation reserves would be treated with regard to the flexible resource sufficiency and capacity tests.

EIM Governing Body Classification

PacifiCorp agrees with the CAISO's revision of the EIM Governing Body classification to hybrid non-EIM specific, which will require EIM Governing Body approval of the proposed 15-minute granularity of EIM base schedules.

Conclusion

PacifiCorp appreciates the CAISO's consideration of these comments and questions and looks forward to the CAISO's draft final proposal.