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PacifiCorp's Comments on the Local Market Power Mitigation Enhancements Revised Straw Proposal

PacifiCorp hereby submits the following comments to the California Independent System Operator Corporation ("CAISO") on the Local Market Power Mitigation ("LMPM") Enhancements revised straw proposal, published November 16, 2018 ("Revised Straw Proposal"). PacifiCorp appreciates the opportunity to provide comments for the CAISO's consideration.

Local Market Power Mitigation Proposals

In its Revised Straw Proposal, the CAISO proposes to enhance real-time market power mitigation process mechanics to address flow reversal and economic displacement issues, design a new default energy bid ("DEB") calculation methodology for both CAISO and EIM hydro resources with storage, and update reasonableness thresholds in its gas reference level adjustments for gas resources based on same-day gas trading the CAISO observes on Intercontinental Exchange.

PacifiCorp generally supports the CAISO's LMPM enhancement proposals. PacifiCorp particularly supports the CAISO's proposal to design a more flexible DEB calculation that includes opportunity costs for hydro resources with storage.

EIM Governing Body Classification

PacifiCorp continues to support the CAISO's proposal to establish a separate EIM Governing Body classification for each component of the initiative. PacifiCorp agrees with the CAISO's plans to present each proposal separately to the EIM Governing Body, and supports the CAISO's EIM decisional classifications as set forth in the Revised Straw Proposal.

Conclusion

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