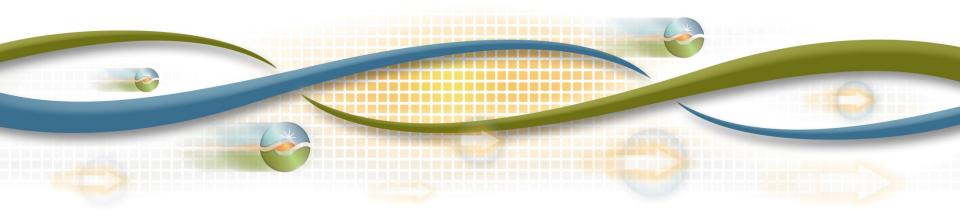


Briefing on Western Energy Imbalance Market – California ISO Update

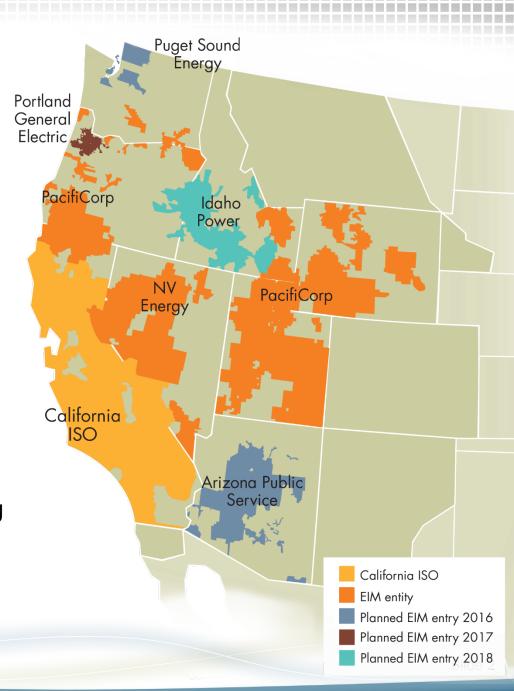
Mark Rothleder, VP - Market Quality & Renewable Integration

EIM Governing Body General Session October 5, 2016



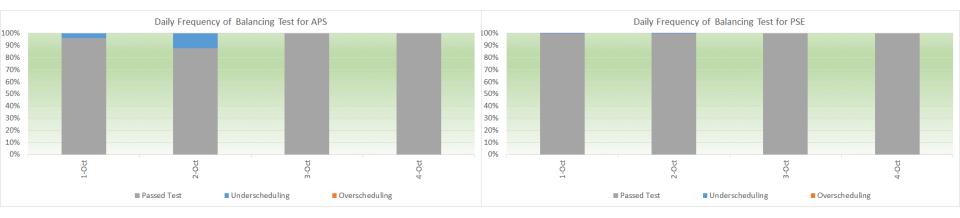
Implementation update

- Arizona and Puget successfully integrated into the Energy Imbalance Market on October 1st
 - Cutover smooth
 - Transitional issues resolved quickly
 - APS & PSE teams well prepared
 - Few pricing issues being investigated
 - First settlements statement in progress
- Portland General project team in full integration mode – October 2017.
- Idaho Power will join EIM in spring of 2018.





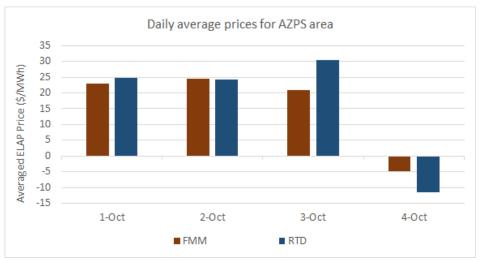
APS and PSE have passed the balancing test in 95.8% and 100% of the time, respectively

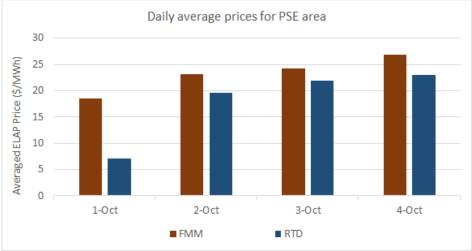


 Both APS and PSE have passed the flexible ramp test in 100% of the time.



Average price in APS area has been about \$16 and \$20.5/MWh

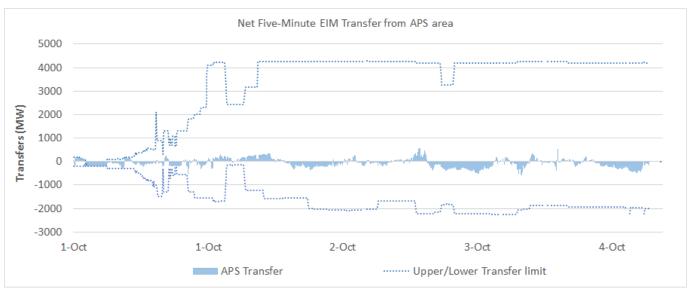


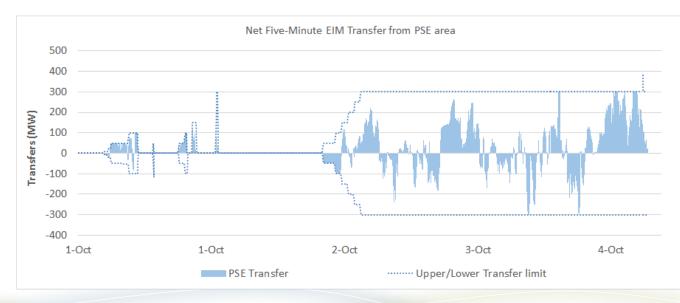




^{*} Prices still under price validation and subject to change

Transfer capabilities have been gradually released







Upcoming Events

- Q3-2016 Benefits report: End of October 2016
- Q4-2016 Benefits report: End of January 2017
 - First benefits report with APS and PSE
- GHG Tracking Report: End of 2016

QUESTIONS

