

Salt River Project “SRP”
Comments on CAISO’s EIM Design Straw Proposal and Issue Paper dated April 4, 2013

SRP¹ appreciates the opportunity to provide these comments and to participate in CAISO’s EIM stakeholder process. SRP actively followed the EIM Cost-Benefit Study funded by WECC and NREL’s benefit analysis. SRP continues to stay engaged with the PUC EIM efforts and is interested in understanding the CAISO’s proposed EIM.

We offer the following comments for your consideration:

Transmission Service and Usage – SRP encourages the CAISO to address how transmission service will work if additional EIM Entities join the CAISO/PacifiCorp arrangement. This includes potential methodology for collecting EIM Transmission Service and allocating revenue to Transmission Providers/Owners who may not be EIM Entities. In addition, please describe the process for remediation if Transmission Providers/Owners are adversely impacted by the CAISO/PacifiCorp arrangement.

Greenhouse Gas Emission Costs – SRP believes this is a significant issue and similar to comments submitted by APS, recommends that further discussion and stakeholder involvement is needed.

Independent Market Oversight – SRP recommends that CAISO explore the possibility of an independent body to administer the market rules and oversight procedures.

LMP’s and Settlement Locations – SRP recommends a discussion on how resource and load settlement locations are established for areas outside of the current CAISO Balancing Authority Area.

Information System Upgrades – Similar to APS’ recommendation, please post Information System requirements.

Examples and Scenarios – SRP is interested in viewing an example of how SRP’s BA operation would coordinate with CAISO on a minute to minute basis. Also, similar to APS’ recommendation, please provide examples regarding the minimum administrative rate, how the GHG adder would work, instructed and uninstructed deviations, and the mechanics of communicating adjusted base schedule.

¹ SRP (Salt River Project Agricultural Improvement and Power District) provides electricity to over 950,000 power users in a 2,900 square-mile service area in parts of three Arizona counties – Maricopa, Gila and Pinal. SRP’s infrastructure includes 45 generating units, 300+ substations, 3,072 transmission line miles and 19,005 distribution line miles.