



Michelle Mizumori
Managing Director, Operations and
Market Interface
801-819-7624
mmizumori@wecc.biz

To whom it may concern,

WECC appreciates the ability to comment on the Energy Imbalance Market (EIM) Design Straw Proposal and Issue Paper, published April 4, 2013. WECC offers the following comments for consideration.

- Page 4: The definition of an EIM Entity is based on a “balancing authority area.” WECC would clarify that the balancing authority area is a footprint, not an entity. Furthermore, page 7 references impacts to an EIM Entity’s Open Access Transmission Tariff (OATT), however as a Balancing Authority (BA), the entity does not necessarily have an OATT. CAISO should consider the appropriate entity for participation in the case that the Transmission Provider and the Balancing Authority may not be the same entity or may have different footprints.
- Page 4 – The definition of EIM Participant identifies an entity that voluntarily submits an economic bid into the EIM. For clarity, it may be useful to define a term for the entities that must settle imbalance using the EIM market, even if they do not submit a bid. This may include loads and non-participating resources, but it seems they will still need to meet some of the requirements for data and communication.
- Page 6 – The titles of sections 3.1.1 and 3.1.3 refer to roles as Balancing Authorities, but the text references all functional entities, so the section titles should be re-considered to avoid confusion.
- Page 6 – Although it appears that the list of functional entities in section 3.1.1 is meant to be illustrative of the concept in general, it could cause confusion, as the entities listed do not line up with the functions that CAISO is registered for. In addition, for clarity it may be useful to add to section 3.1.1 sub-bullets similar to those under 3.1.3 to be clear on CAISO’s role within its footprint as well
- Page 7 – There is a statement about “Submitting and maintaining their system operating limits (inter-ties and internal constraints) as needed for the market. This includes adjusting/conforming limits as required due to differences between actual flow as measured by actual telemetry or state estimator and the flows calculated by the market model (market flow). Note that small differences in actual and market flows can arise due to differences in the model and actual conditions such as load distribution factors, unscheduled flow, network topology and impedances.” System Operating Limits, as defined by NERC, should be set

in accordance with the WECC RC SOL Methodology. Please clarify whether this refers to a different type of limit that should be adjusted for market flows.

- Page 10 – The section on RTUC says that “no unit commitment decisions are made by market optimization in the EIM Entity, nor is unit commitment made in the CAISO area...” but also discusses schedules for EIM Entities from RTUC. This should be clarified.
- Page 13 – It would be helpful to clarify whether the Market Operator will send a complete NSI for each EIM Entity or just the NSI between EIM Entity and CAISO. For the example of PacifiCorp, will there be one NSI for PACE and one NSI for PACW? Will this be the total NSI, or just the changing NSI between the EIM Entity and CAISO?
- Page 23 – There is a need to clarify the use of Dynamic Schedules. Will they be per EIM Entity, per EIM Participant or per resource? If per entity will there be separate dynamic schedules for PACE and PACW?
- Page 23 – Why is the base value of the Dynamic Schedule zero? Even with RTUC considering the 15 minute schedules, this is done sufficiently before the operating interval, that it will not be the most up-to-date value. Also, there are requirements in INT-004-2 R2 that require updates to the dynamic schedule for the next available scheduling hour when certain conditions are met.
- Page 23 – If Dynamic Schedules are updated at the end of the hour, is there a mechanism to inform the Reliability Coordinator of the current value of the schedule?
- Page 26 – Will adjusted base schedules be sent to the EIM Entity, the EIM Participant or both? Who has responsibility for adjusting tags to make sure that they correctly represent the adjusted base schedules, and NSI values are correctly calculated?
- Page 26 – From the stakeholder meeting, it sounds as though adjusted based schedules will account for infeasibility due to congestion as well as resource insufficiency. Is the only penalty the LMP? It seems that if an entity is insufficient in its base schedules, but finds that it can generally lean on the market to fill the gap, the only penalty is LMP, which may not be sufficient to incent better

behavior. This could lead to a reliability issue if too many entities come to rely on leaning on the market.

- Page 27 – Is there any validation of intertie schedules with other BAs? If not, it seems the CAISO-supplied NSI may not align with the tagged schedules, which could cause errors in interchange accounting.
- Page 33 – Section 3.6.2 needs to be clarified. There appear to be references to both the CAISO congestion management and the WECC UFMP that are confusing. Some clarifications were made at the stakeholder meeting on 4/11 that references were not all to UFMP. Also, there seems to be discussion of UFMP use by EIM Entities, which appear to relate to paths between EIM Entities and non-EIM entities. Are there any special considerations that need to be made for the COI, as a path between CAISO and an EIM entity? Since UFMP is next-hour (not current-hour), will the dynamic schedule be forced to zero for North-South flows, even if congestion ends up being relieved?
- Page 35 – The ECC is not yet approved and may not be implemented by the go-live data of EIM. The reference to ECC tied with the UFMP may be confusing.
- Page 35 – what does this mean “Dynamic e-Tags for EIM flows will not be updated for EIM dispatch until the end of the operating hour and *thus be explicitly managed by the UFMP*”
- Page 40 – “The Market Operator will use the WIT to receive e-tag information related to the EIM Entity’s interchange points with other BAAs that are not CAISO.” Currently, tag information is limited to the entities on the tag, how will CAISO gain access to these other tags? Is this statement inconsistent with the one on page 27 that says that the EIM Entity must submit intertie schedules with other BAAs?

Thank you again for the opportunity to comment on this straw proposal.

Sincerely,

Michelle Mizumori