

152 FERC ¶ 61,241
UNITED STATES OF AMERICA
FEDERAL ENERGY REGULATORY COMMISSION

September 29, 2015

In Reply Refer to:
PacifiCorp
Docket No. ER15-2365-000

PacifiCorp
825 NE Multnomah St
Suite 1800
Portland, OR 97232

Attn: Sarah E. Edmonds, Esq.

Reference: Energy Imbalance Market Related Tariff Revisions

Dear Ms. Edmonds:

1. On July 31, 2015, PacifiCorp filed proposed revisions to its open access transmission tariff (PacifiCorp OATT) pursuant to section 205 of the Federal Power Act¹ related to its participation in the Energy Imbalance Market (EIM) administered by California Independent System Operator Corporation (CAISO). We accept PacifiCorp's revisions to Attachment T, sections 5.3 and 10.3.1, effective September 30, 2015, as requested. In addition, we conditionally accept PacifiCorp's revision to Schedule 9 to become effective October 1, 2015, subject to the outcome of the proceeding in Docket No. ER15-1919.

2. PacifiCorp states that it commenced financially-binding participation in the EIM on November 1, 2014. NV Energy² subsequently filed to become the second EIM

¹ 16 U.S.C. § 824d (2012).

² NV Energy is made up of Nevada Power Company and Sierra Pacific Power Company.

Entity,³ and its entry into the EIM requires PacifiCorp to provide for the use of Available Transfer Capability (ATC) to support EIM Transfers between the PacifiCorp East balancing authority area and the NV Energy balancing authority area.⁴ According to PacifiCorp, the Commission approved NV Energy's proposals (1) to identify ATC for EIM Transfers in accordance with its previously-approved methodology in Attachment C of NV Energy's open access transmission tariff (NV Energy OATT), and (2) to incorporate the process for informing CAISO of the ATC in the NV Energy OATT.⁵ PacifiCorp proposes to adopt a similar approach.⁶

3. PacifiCorp states that it will use ATC, as calculated in the approved methodology in Attachment C (Methodology to Assess Available Transfer Capability) of the PacifiCorp OATT, to facilitate EIM Transfers.⁷ According to PacifiCorp, in order for EIM Transfers using ATC to be effectuated on an interface between two EIM Entities, both EIM Entities must have ATC. PacifiCorp notes that, in the case of PacifiCorp and NV Energy, both entities have ATC and CAISO will use the lower of the amount of ATC calculated by each EIM Entity at that interface to ensure that neither entity will make more ATC available for EIM Transfers than can be accommodated on either side of the interface. To accomplish this, PacifiCorp proposes a new Section 5.3 for Attachment T as follows:

The PacifiCorp EIM Entity shall facilitate the provision of transmission capacity for EIM Transfers by ensuring that the [Market Operator] is provided with the amounts made available for EIM Transfers utilizing ATC.

The provision of EIM Transfer capacity shall be implemented by 40 minutes prior to the Operating Hour ("T-40") by the PacifiCorp EIM Entity. The PacifiCorp EIM Entity shall include an e-Tag, with an OASIS identification reservation number(s) created for EIM Transfers utilizing ATC, and shall also include the MO, all transmission providers, and path operators associated with the OASIS identification reservation number(s)

³ *Nevada Power Company*, 151 FERC ¶ 61,131 (2015) (NV Energy EIM Order).

⁴ PacifiCorp Transmittal Letter at 2.

⁵ NV Energy EIM Order, 151 FERC ¶ 61,131 at PP 116-118.

⁶ PacifiCorp Transmittal Letter at 4.

⁷ *Id.*

identified on the e-Tag. The amount of ATC will be based upon the lower of the amount of ATC calculated for each EIM Entity at that interface. The ATC shall be available for the EIM, subject to approval of the e-Tag by all required e-Tag approval entities.

4. PacifiCorp contends that this language is slightly different than the corresponding provision that the Commission approved in the NV Energy EIM Order but understands that NV Energy will be proposing OATT revisions similar to those of PacifiCorp.⁸ PacifiCorp states that it is currently working with CAISO and NV Energy to coordinate the systems, procedures, and operating practices related to the use of ATC in the EIM, and the parties have identified a more efficient and effective way to facilitate communication of the ATC amounts, utilizing CAISO systems, rather than communication limited strictly to e-Tags. PacifiCorp asserts that the proposed provision permits the flexibility to use CAISO's systems in addition to the possible use of e-Tags, or to use other tools that may facilitate communication of ATC for future EIM Entities without impacting the quantity of ATC that will be communicated to CAISO.

5. PacifiCorp notes that, on June 15, 2015, as amended on June 25, 2015 and July 1, 2015, CAISO filed phase 1 of its EIM Year 1 Enhancements in Docket No. ER15-1919-000. According to PacifiCorp, two of CAISO's proposed improvements require corresponding revisions to be made to the PacifiCorp OATT: (1) establishment of an administrative price; and (2) settlement of imbalances of Non-Participating Resources.⁹

6. PacifiCorp states that CAISO will be proposing an additional amendment to Section 29.7(j)(2)(D) of the CAISO tariff in the near future so that the price specified in an EIM Entity's tariff for corrective action would be used in lieu of the CAISO day-ahead price if real-time Locational Marginal Prices are unavailable for an extended period of time.¹⁰ To accommodate this CAISO amendment, PacifiCorp proposes to revise the PacifiCorp OATT so that in this situation, the governing provisions of its

⁸ *Id.* at 5. In Docket No. ER15-1196-004, NV Energy submitted identical language to its corresponding provision.

⁹ *Id.*

¹⁰ *See* CAISO June 25 Transmittal Letter at 17 in Docket No. ER15-1919-000, noting that the CAISO Board has approved the pricing enhancements proposal stemming from the stakeholder initiative on administrative pricing rules and CAISO will be filing to amend Section 29.7 in the future.

OATT would revert to the pre-EIM versions of Schedules 4, 9, and 10.¹¹ Currently, reversion to those Schedules would occur only if PacifiCorp decides to terminate its participation in the EIM.¹² To permit this provision to be used to set an administrative price if required by the CAISO Tariff, PacifiCorp proposes to make the following addition to Attachment T Section 10.3.1 (Corrective Action for Temporary Contingencies):¹³

When corrective actions 10.3.1(1) and (2) are implemented ~~in conjunction~~ or if the MO Tariff requires the use of these temporary schedules to set an administrative price, the PacifiCorp EIM Entity shall use Temporary Schedules 4, 9, and 10 in accordance with Sections 10.4.1, 10.4.2, and 10.4.3 of this Attachment T.

7. Relevant to PacifiCorp's filing, in Docket No. ER15-1919-000, CAISO proposes to revise the settlement of Non-Participating Resources in Section 29.11 (Settlement and Billing for EIM Participants) of its Tariff.¹⁴ PacifiCorp states that, according to CAISO, the determination of uninstructed imbalance energy differs within the CAISO balancing authority area and the EIM Entity balancing authority area, which affects the determination of each balancing authority area's pro-rata share of bid cost recovery uplift and the real-time imbalance energy offset.¹⁵ PacifiCorp states that CAISO proposes to correct the different treatment of uninstructed imbalance energy between balancing authority areas by aligning the treatment of expected energy from non-participating resources in the EIM with CAISO's treatment of resources that self-schedule their day-ahead energy awards in CAISO's real-time market, as both are operationally equivalent. In addition, CAISO proposes to include additional expected energy

¹¹ PacifiCorp OATT Attachment T, Section 10.4 (Temporary Schedules 4, 9, and 10).

¹² PacifiCorp OATT Attachment T, Section 10.1 (Temporary Suspension by the MO).

¹³ PacifiCorp notes that this is the same approach contained in the comparable, approved provision in NV Energy OATT Attachment P, Section 10.3.1 (Corrective Actions for Temporary Contingencies).

¹⁴ See CAISO June 25 Transmittal Letter at 17 in Docket No. ER15-1919-000.

¹⁵ *Id.*

categories that apply to CAISO resources who self-schedule in the Real-Time Market to changes from the base schedule of EIM non-participating resources.¹⁶

8. PacifiCorp states that the proposed revisions to its Schedule 9 incorporate CAISO's proposal for differentiating between the settlement of non-participating resources in CAISO's 15-minute market and the real-time dispatch.¹⁷ In addition, PacifiCorp notes that its proposed modifications to Schedule 9 are consistent with the approach taken by NV Energy to address this issue in Schedule 9 of the NV Energy OATT.

9. PacifiCorp requests an effective date of September 30, 2015 for its proposed revisions to Attachment T. PacifiCorp requests that the revisions to Schedule 9 become effective no earlier than October 1, 2015 "or the CAISO's implementation of the revised settlement of non-participating resources in accordance with a Commission order in Docket No. ER15-1919."¹⁸

10. Notice of PacifiCorp's filing was published in the *Federal Register*, 80 Fed. Reg. 47,484 (2015), with protests and interventions due on or before August 21, 2015. Timely motions to intervene were filed by the Cities of Santa Clara and Redding, California and the M-S-R Public Power Agency, Powerex Corp., Modesto Irrigation District, and Northern California Power Agency. Pursuant to Rule 214 of the Commission's Rules of Practice and Procedure,¹⁹ the timely, unopposed motions to intervene serve to make the entities that filed them parties to this proceeding.

11. We find PacifiCorp's revisions to Attachment T, sections 5.3 and 10.3.1, to be just and reasonable, and consistent with the findings of the NV Energy EIM Order.²⁰ Accordingly, we accept them for filing, effective September 30, 2015, as requested. However, PacifiCorp's proposed revisions to Schedule 9 are intended to respond to

¹⁶ PacifiCorp Transmittal Letter at 6, citing CAISO's February 11, 2015 Draft Final Proposal for the EIM Year 1 Enhancements, which can be found at <http://www.caiso.com/informed/Pages/StakeholderProcesses/EnergyImbalanceMarketYear1Enhancements.aspx>.

¹⁷ *Id.*

¹⁸ PacifiCorp Transmittal Letter at 7.

¹⁹ 18 C.F.R. § 385.214 (2015).

²⁰ NV Energy EIM Order, 151 FERC ¶ 61,131 at PP 76, 116.

CAISO's Tariff revisions regarding the settlement of non-participating resources in Docket No. ER15-1919-002, which is still pending before the Commission. Thus, we conditionally accept PacifiCorp's revisions to Schedule 9, effective October 1, 2015, subject to the outcome of the proceeding in Docket No. ER15-1919.

By direction of the Commission.

Kimberly D. Bose,
Secretary.