



Portland General Electric Company
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**Comments of Portland General Electric Company on
*Proposed Amendments to the California Cap on Greenhouse Gas Emissions and
Market-Based Compliance Mechanisms Regulation and the Regulation for the
Mandatory Reporting of Greenhouse Gas Emissions*
2nd 15-Day Amendment Text
April 28, 2017**

Portland General Electric Company (“PGE”) appreciates the opportunity to provide comments to the California Air Resources Board (“CARB”) on the *Proposed Amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation* and on the *Proposed Amendments to the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions* (“Regulations”) – 2nd 15 day amendment text. PGE has signed an implementation agreement with the California Independent System Operator (“CAISO”) to become the fifth utility outside the State of California to join the Western Energy Imbalance Market (“EIM”), with a scheduled go live date of October 2017. As such, PGE has a vested interest in the development and implementation of programs that have the potential to impact the EIM.

PGE submitted comments to CARB on September 19, 2016, and again on January 20, 2017, on their proposed amendments to the Regulations. In both sets of comments, PGE: (1) opposed the removal of the resource shuffling safe harbor for EIM transactions; and (2) urged CARB to implement an interim measure (or “bridge solution”) without disrupting the EIM dispatch algorithm to account for greenhouse gas (“GHG”) secondary emissions while a long-term solution is designed and implemented by CAISO. PGE is pleased to see that both of these concerns appear to be addressed in the 2nd 15 day amendment text to the Regulations. PGE is supportive of CARB’s proposal to retain the current resource shuffling safe harbor for short-term transactions as EIM transactions do not constitute resource shuffling under CARB’s regulations. Additionally, PGE is supportive of the proposed bridge solution to account, on an interim basis, EIM GHG secondary emissions for serving California load.

PGE, however, does make the following two recommendations.

1. PGE requests that CARB work closely and transparently with CAISO to facilitate CAISO’s timely implementation of the long-term EIM GHG accounting solution (“2-pass model”). Additionally, PGE requests that CARB provide comments and feedback during CAISO’s development process to help ensure CARB’s adoption of this model and adjust its regulatory program to fit with the technical capabilities of the modified optimization.
2. PGE requests that CARB add explicit language into the rule package that would remove the GHG accounting bridge solution once the CAISO two-pass model has been developed, tested and implemented. This would help prevent the delay of a rule notice and comment period once the two-pass model is ready to be implemented. If this is not possible, then PGE requests that CARB clearly indicate in this rule package that implementation of the bridge solution is temporary, and that CARB will propose further regulatory amendments to reflect the two-pass model once finalized.

Again, PGE appreciates the opportunity to provide comments to CARB on the proposed Regulations. Please feel free to contact me at (503) 464-8528 or via e-mail at Elysia.Treanor@pge.com.