



**Department of Energy**  
Western Area Power Administration  
Sierra Nevada Customer Service Region  
114 Parkshore Drive  
Folsom, California 95630-4710

SEP 25 2018

Ms. Rajinder Sahota  
Assistant Division Chief  
Industrial Strategies Division  
California Air Resources Board  
1001 "I" Street  
Sacramento, CA 95814

Dear Ms. Sahota:

Thank you for contacting the Western Area Power Administration (WAPA) regarding the California Air Resources Board's (ARB) proposed amendments to the Mandatory Reporting Requirement (MRR) and Cap and Trade Programs.

WAPA is a federal agency. WAPA appreciates ARB's communication, cooperation and collaboration. WAPA has worked with the U.S Department of Energy and ARB to implement WAPA's voluntary compliance with ARB's MRR and Cap and Trade Program. As a result, WAPA reports and participates in ARB's MRR and Cap and Trade Programs. WAPA's California customers include 24 federal end use customers, Central Valley Project load, and three utilities located in the California Independent System Operator's (CAISO) Balancing Authority Area.

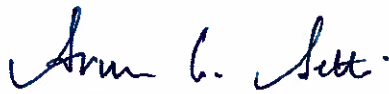
WAPA understands the proposed amendments provide for covered entities to report power purchased through the CAISO energy imbalance market (EIM). WAPA also understands CAISO will provide 5-minute data for each scheduling coordinator identification codes (SCID) to ARB and for covered entities' use in preparing their MRR reports. EIM purchases will incur a compliance obligation as determined by ARB sometime after verification of MRR reports.

Currently, WAPA does not directly participate in the EIM Markets. As a result, the proposed amendment's primary impact to WAPA will be through energy imbalance. In particular, WAPA uses four SCIDs to serve the loads identified above: WFLS, WDOE, WPUL, and WNAS. WAPA uses the separate SCIDs for ease of breaking out the various CAISO charges that WAPA passes through to customers. With four SCIDs there may be times when one or more SCIDs will be short, while at the same time, one or more of the other SCIDs may be long. If each SCID is looked at individually, WAPA could appear as an imbalance purchaser in every 5-minute interval, when if taken as a whole, there may not be an imbalance. This may increase WAPA's compliance obligation. Therefore, WAPA requests ARB or CAISO provide an option for combining

certain SCIDs for those entities with multiple SCIDs reported in the 5-minute data provided by CAISO. WAPA has additional SCIDs that should not be combined with those listed above. Combining the SCIDs for multiple SCID entities, as requested by those entities, will accurately capture when those entities are actually purchasing imbalance energy.

Thank you for the opportunity to comment on the proposed amendments. If you would like to discuss this matter further, please feel free to contact Sandee Peebles at (916) 353-4454 or [peebles@wapa.gov](mailto:peebles@wapa.gov).

Sincerely,

A handwritten signature in black ink that reads "Arun K. Sethi". The signature is written in a cursive style with a prominent initial "A".

Arun K. Sethi  
Vice President of Power Marketing  
for Sierra Nevada Region