

**Comments of the Western Power Trading Forum
to the California Air Resources Board on 15-day Proposed Amendments
Mandatory Reporting Regulation**

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Clare Breidenich
WPTF GHG Committee Director
Email: cbreidenich@aciem.us

The Western Power Trading Forum (WPTF) offers comments to the California Air Resources Board (CARB) on its 15-day proposed amendments to the Mandatory Reporting Regulation (MRR). Our comments address issues related to the reporting of emissions associated with imports via the California Independent System Operator's (CAISO) Energy Imbalance Market (EIM).

WPTF supports CARB's proposed interim solution to address GHG Accounting concerns in the EIM. Specifically, we support the proposal for CARB to calculate the quantity of "EIM Outstanding Emissions", relative to total emissions resulting from the dispatch and assignment of energy imports by the EIM algorithm, using the default emission rate. However, we have several concerns with how this approach is reflected in the MRR.

Section 95111 (h)(1)(B) should be made clearer

Our first concern is with respect to organization and clarity. Staff's proposed approach in section 95111 (h)(1)(B) includes reporting requirements for EIM Participating Resource Scheduling Coordinators (PRSCs), the CAISO itself and steps that CARB staff will take to calculate the quantity of EIM outstanding emissions. However, these requirements and steps are not clearly delineated. Further, while some of the information required to be reported by CAISO is necessary for the calculation of outstanding EIM emissions, other information, such as state wide EIM imports and exports appears geared toward improving transparency or to enable verification of total EIM imports reported by PRSCs.

To make this section more understandable, WPTF recommends that CARB clearly separate the reporting requirements for reporting by PRSCs and the CAISO, and delineate the steps for calculation of outstanding emissions sequentially. For instance, CARB's calculation of outstanding emissions should follow the reporting by PRSCs of EIM imports and emissions, and reporting by the CAISO of EIM emissions using the default emission rate. We also request how information reported by CAISO on state-wide EIM imports and exports will be used.

Reporting requirements should be restricted to PRSCs that are deemed to have delivered EIM energy to serve California

WPTF's understanding is that only EIM PRSCs that are deemed by the EIM algorithm to have delivered energy to serve California load are required to report under the MRR. However, the language of 95111 (h)(1)(C) applies to all EIM PRSCs. WPTF therefore recommends that CARB modify this language to limit its applicability to PRSCs that are deemed to have delivered EIM energy to serve California load.

References to 5 minute intervals should be more precise

In several places in 95111(H), the regulation uses the phrase 'based on each 5-minute interval'. We believe this is intended to mean that the annual reports should be an aggregation of data across all 5 minutes in the year, and request that CARB amend the regulation to clarify this.

CAISO should not be subject to third party verification

Proposed section 95111 (h)(3) of the regulation suggests that the reports submitted by the CAISO in accordance with paragraphs 95111(h)(1) and (2) are subject to third-party verification. WPTF opposes this provision for two reasons. First, the CAISO is not a reporting entity under the MRR. Second, CAISOs reports to CARB will be based on the results of the EIM optimization algorithm, which will also determine the dispatch of EIM resources and energy that is deemed delivered to serve California load. To require third party verification of CAISO reports suggests that the market results of the EIM algorithm may be questioned by verifiers and CARB staff. This is inappropriate.

WPTF recommends that CARB delete the requirement that CAISO reports be subject to third-party verification. Instead, CARB staff should consult with CAISO to better understand the quality control and quality assurance procedures that CAISO has in place to ensure that veracity of the EIM algorithm's output.

EIM Exports out of California cannot be reported by PRSC

Paragraph 95111 (h)(2) require CAISO to report total annual EIM exports from California for each PRSC and for the CAISO. Our understanding is that the EIM algorithm does not attribute EIM transfers out of California to specific resources or PRSC. If this is correct, it would not be possible for CAISO to report this information to CARB. The reference to PRSCs in this paragraph should be deleted.

CARB should request CAISO to adjust energy deemed delivered to California to reflect metered data.

CARB staff have proposed elimination of the lesser of analysis requirement for electricity imported via the EIM. We understand that this is because the EIM export allocation is not adjusted to reflect actual metered data, but instead reflects the resource's forecast availability going into the hour. Rather than require EIM PRSC's to perform a 'lesser-of' analyses for energy deemed delivered to California, WPTF reiterates its request that CARB explore with CAISO whether it would be possible for the EIM allocations to reflect metered data.