

DOCKETED

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PacifiCorp Comments on WSC Discussion Paper and Draft Proposal

Additional submitted attachment is included below.

Optional Stakeholder Comments Template

Western States Committee (WSC) Primary Authority Discussion Paper

Submitted by	Organization	Date Submitted
Sarah Edmonds, Vice President and General Counsel	PacifiCorp	November 3, 2016

Stakeholders are encouraged to use this template to provide comments on the *Potential Topics within the Primary Authority of the Western States Committee* Discussion Paper and Draft Proposal posted on October 7, 2016.

All documents for the Regional Grid Operator and Governance Proceeding are available at:

http://www.energy.ca.gov/sb350/regional_grid/documents/index.html

Submit comments to the California Energy Commission Docket 16-RGO-01:
<https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=16-RGO-01> or
docket@energy.ca.gov

Comments should be submitted by October 31, 2016.

1. Level of Support

Please indicate your organization's overall level of support for the ISO's proposal regarding potential topics for the primary authority of the WSC.

To indicate level of support, please select one of the following options: (1) Fully support; (2) Support with qualification; or, (3) Oppose. Please provide an explanation of your organization's position. (For example, if your organization fully supports, please provide reasons for your support. If your organization supports with qualification, please describe your qualifications or specific modifications that would allow you to fully support the proposal. If your organization opposes, please explain why you oppose the proposal.

PacifiCorp will ultimately defer to its states on whether they support the Western States Committee ("WSC") and what roles and responsibilities the states want for the WSC. For purposes of this response, PacifiCorp provides its support with qualifications (level (2) above), subject to its states' positions. PacifiCorp notes there is potential concern as to whether or not the Federal Energy Regulatory Commission ("FERC") will deem it appropriate to give primary authority to the WSC over regional resource adequacy and transmission cost allocation decisions, which would allow the WSC to prevent the ISO from making tariff revisions under certain conditions. However, PacifiCorp supports the modifications in the Second Revised Governance Principles that allow the ISO to file tariff revisions if the WSC fails to resolve a matter under its primary authority after 90 days.

Also, as PacifiCorp has stated in its comments on the Second Revised Governance Principles, PacifiCorp and its states are concerned that both papers continue to provide for WSC weighted voting on matters of primary authority.

Please also see PacifiCorp's comments on the Second Revised Governance Principles.

2. Factors for Primary Authority

The ISO's discussion paper identified at page 5 certain factors that may be relevant in establishing whether a particular topic within the categories of Resource Adequacy or transmission cost allocation should be within the primary approval authority of the WSC. Please provide any comments you may have on whether the factors that have been identified are the correct ones or if other factors or criteria should be considered.

PacifiCorp appreciates the efforts of the ISO to suggest factors to be considered when determining if a particular topic should be within the primary authority of the WSC. PacifiCorp agrees in theory that there should be factors considered or guidelines to determine WSC primary authority, but cautions that some of the suggested factors are subjective and may require further clarification or definition. For instance, using "issues that are more localized in nature" as a guideline for issues not under the primary authority of the WSC, may require the term "more localized" to be further clarified or defined in order to clearly understand what would fall within that guideline. In addition, PacifiCorp requests further details on the process that would be used for ultimately determining, using these guidelines, which issues fall within the WSC's primary authority, including identification of those who would be responsible for making such decisions.

3. Regional Resource Adequacy Topics

The ISO's discussion paper identifies the system wide planning reserve margin target as a topic within RA that should be within the primary approval authority of the WSC. Please comment on this aspect of the proposal. Please also comment on whether there are any other specific topics within the category of RA for which the WSC should have primary approval authority.

PacifiCorp has received feedback from states that limiting the WSC's primary authority to only the planning reserve margin portion of the Regional Resource Adequacy initiative, is too narrow of a scope and should be broadened. For example, some are suggesting that Regional Resource Adequacy counting rules should also fall under the WSC's primary authority. In general, PacifiCorp would urge a more thorough review and analysis of the issues within the Regional Resource Adequacy initiative which may present potential differences between the states that have the potential to produce market "seams" within the regional ISO footprint.

4. Transmission Cost Allocation Topics

The ISO's discussion paper identifies as a topic for the WSC's primary approval authority cost allocation between sub-regions for policy driven projects that support policy mandates of, or provide benefits to, more than one sub-region. Please comment on this aspect of the proposal. Please also comment on whether there are any other specific topics within the category of RA for which the WSC should have primary approval authority.

No comments.

5. Other Topics

Please comment on any other topics that your organization feels should be included in this proposal.

No comments.