Workshop 1 - Questions & Responses

Both Henry Tilghman (NIPPC and Renewables NW) and Laura Green (Portland General Electric) requested clarification on the proposal to sub-allocate additional charge codes.

BPA provides the following clarification regarding which customers (federal generation resources, non-federal generation resources, load resources, and interchange resources) are included in the sub-allocation of: 4) EIM Entity Real-Time Greenhouse Gas (GHG) Cost Offset; 5) EIM Transfer Revenue; and 8) Other EIM Neutrality and Uplift Charges.

4. EIM Entity Real-Time Greenhouse Gas Cost Offset

The Real Time Greenhouse Gas Offset sums, for each GHG regulation area, the revenue CAISO collects to fund GHG Awards with the payments it issues for those awards. This aggregate reflects whether CAISO over- or under-collected GHG revenue for that area. CAISO allocates that aggregate to metered demand within the GHG regulation area. In other words, the Real Time Greenhouse Gas Offset ensures that, for each GHG regulation area, CAISO balances what it collects with what it pays for GHG compliance.

BPA proposes sub-allocating this market settlement to metered demand, which includes metered load volumes in BPA's BAA. This is consistent with how CAISO will allocate these amounts to BPA as the EIM Entity.

5. EIM Transfer Revenue

The <u>CAISO Conformed Tariff Master Definition Supplement</u> defines EIM Transfers as the transfer of Energy in Real-Time between an EIM Entity Balancing Authority Area and an EDAM Balancing Authority Area, or between EIM Entity Balancing Authority Areas, using transmission capacity made available to the Real-Time Market through the Energy Imbalance Market. In other words, EIM Transfers are market-optimized power flows that utilize transmission capacity made available to the market by market participants.

Under Section 11.5.4.1 of the <u>CAISO Extended Day Ahead Market and Day Ahead Market Enhancements Tariff</u>, CAISO states EIM Transfer revenue will be collected by CAISO when one Balancing Authority Area in the EIM Area provides Energy to another Balancing Authority Area in the EIM Area and the associated EIM Transfer System Resource prices differ. The EIM Transfer Revenue settlement allocates that EIM Transfer revenue collected by CAISO equally between the WEIM Entities on each side of a Real Time Energy Transfer, except when WEIM Entities on each side of the transfer agree on and notify CAISO of a different allocation for some portion of the WEIM Transfer Revenue.

BPA proposes to sub-allocate this settlement to measured demand, which includes metered load volumes in BPA's BAA plus e-Tagged export volumes from the BPA BAA.

8. Other EIM Neutrality and Uplift Charges

This section is intended to capture any future EIM charge codes that may be implemented prior to the next rate case. For simplicity, BPA is proposing to allocate any future EIM charge codes according to Measured Demand until BPA and customers are able to address the issue in the next rate case.