

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

<b>Nevada Power Company</b>	) ) )	<b>Docket No. ER15-2281-000</b>
<b>Sierra Pacific Power Company</b>	) ) )	<b>Docket No. ER15-2282-000</b>
<b>PacifiCorp</b>	) ) )	<b>Docket No. ER15-2283-000</b>
<b>California Independent System Operator</b>	) ) )	<b>Docket No. ER15-2272-000</b>

**(not consolidated)**

**MOTION FOR LEAVE TO ANSWER AND ANSWER  
OF THE EIM PARTICIPANTS**

Pursuant to Rules 212 and 213 of the Rules of Practice and Procedure of the Federal Energy Regulatory Commission (“Commission”), 18 C.F.R. §§ 385.212, 385.213 (2015), Nevada Power Company (“Nevada Power”) and Sierra Pacific Power Company (“Sierra Pacific”) (collectively, the “NV Energy Companies”) and PacifiCorp (together, the “EIM Participants”) move the Commission for leave to answer various comments and protests filed in the captioned proceedings.

**I. BACKGROUND**

The EIM Participants currently lack market-based rate authority in the NV Energy balancing authority area (“BAA”). Accordingly, on July 27, 2015, to facilitate the NV Energy Companies’ joining the Energy Imbalance Market (“EIM”) and fully participating therein, and to

permit PacifiCorp's current participation in the EIM to continue unimpeded, in Docket Nos. ER15-2281-000, ER15-2282-000, ER15-2283-000, the EIM Participants each requested narrowly-tailored amendments to their respective market-based rate tariffs ("MBR Tariffs") for EIM transactions in any BAA within the EIM footprint, including the NV Energy BAA (the "July 27 MBR Filings"). The EIM Participants explained that granting the EIM Participants market-based rate authority in this manner is just and reasonable for the following reasons: (1) they lack market power in the EIM; and (2) even if they are perceived to have market power in the EIM in certain circumstances, the market power mitigation measures under the California Independent System Operator ("CAISO") Tariff and overseen by the CAISO Department of Market Monitoring ("DMM") ensure that no market power can be exercised.

Separately, on July 24, 2015 in Docket No. ER15-2272, the CAISO filed a petition asking for Commission authorization to include in the CAISO's market power mitigation procedures, pursuant to section 29.39(d)(2) of the CAISO Tariff, transfer constraints in the EIM between the NV Energy BAA and the CAISO and the PacifiCorp-East balancing authority area (the "PACE BAA") (the "July 24 CAISO Petition").

Comments and protests on both the July 24 CAISO Petition and the July 27 MBR Filings have been filed.

## **II. MOTION FOR LEAVE TO ANSWER**

The EIM Participants move for leave of the Commission to answer the protests in these proceedings and any comments which may be deemed protests. While answers to protests and answers are generally not permitted under Rule 213(a)(2),<sup>1</sup> the EIM Participants move for leave to provide this answer. The Commission has allowed such answers when the answer provides

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<sup>1</sup> 18 C.F.R. § 385.213(a)(2).

useful and relevant information that will assist the Commission in the decision-making process, clarifies the issues, assures a complete record in the proceeding, or permits the issues to be narrowed.<sup>2</sup> Good cause exists to grant this answer for the same reasons. The comments and protests raise new arguments about the structure of the EIM and the CAISO's market power mitigation measures. The EIM Participants should be afforded a chance to respond.

### **III. ANSWER**

The EIM Participants hereby respond to certain comments on and protests of the July 24 CAISO Petition and the July 27 MBR Filings. Before responding to these arguments, the EIM Participants note that no party has taken issue with the market power study presented in the July 27 MBR Filings and no party disputes that the EIM Participants lack market power in the EIM as a whole. This point is key because the EIM Participants presented a market power study in their July 27 MBR Filings showing that they will not be pivotal suppliers in the 4-BAA EIM and will have market shares below 20 percent in all seasons. These results establish a rebuttable presumption that the EIM Participants lack market power in the EIM.

Intervenors seek in their filings to rebut this presumption not by questioning the validity of this market power study, but by questioning the effectiveness of CAISO's intertie market power mitigation measures which would be triggered only in the circumstances where pricing between the NV Energy BAA and the CAISO BAA suggest congestion on the interties between the two. For the reasons that follow, there is no evidence to suggest the mitigation will not be

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<sup>2</sup> See, e.g., *Southwest Power Pool, Inc.*, 131 FERC ¶ 61,252 at P 19 (2010), *reh'g denied*, 137 FERC ¶ 61,075 (2011) (accepting answers to protests that "provided information that assisted us in our decision-making process"); *Duke Energy Kentucky, Inc.*, 122 FERC ¶ 61,182 at P 25 (2008) (accepting answers to protests that "provided information that assisted us in our decision-making process"); *Morgan Stanley Capital Group, Inc. v. New York Indep. Sys. Operator, Inc.*, 93 FERC ¶ 61,017 at p. 61,036 (2000) (accepting an answer to an answer that was "helpful in the development of the record..."); *PJM Interconnection, LLC*, 84 FERC ¶ 61,224 at p. 62,078 (1998) (accepting answer to answer).

effective when triggered, and the protests and comments to the contrary are without merit and should be rejected.

**A. Many Issues Raised in the Comments and Protests Are Collateral Attacks on Accepted EIM Tariff Provisions.**

A significant majority of issues raised in the comments and protests address the EIM market design and, therefore, are not germane to either the July 24 CAISO Petition or the July 27 MBR Filings. The CAISO Petition is very limited in scope. It does not seek to re-litigate the substance of the EIM market design or the previously-approved market power mitigation measures for the EIM; rather, it only seeks the requisite Commission approval to extend those mitigation measures to the new EIM interties with the NV Energy BAA.

Similarly, the July 27 MBR Filings seek limited market-based rate authority necessary to participate in the EIM, relying in part on those same CAISO mitigation measures. The Commission has long held that *Commission-approved* RTO/ISO mitigation measures, which these are, create a “rebuttable presumption . . . sufficient to address any market power concerns.”<sup>3</sup>

Neither the July 24 CAISO Petition nor the July 27 MBR Filings change existing EIM tariff rules. For example, EIM participation is voluntary and includes no must-offer requirement. In addition, the CAISO’s Default Energy Bid (“DEB”) methodology, long found just and reasonable, is not at issue in this proceeding. Just like any RTO market design, the EIM market power mitigation measures are subject to any future filings the CAISO may make to modify them under Federal Power Act (“FPA”) section 205, and the Commission is always empowered to investigate their reasonableness under FPA section 206. For the purposes of these

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<sup>3</sup> *Market-Based Rates for Wholesale Sales of Electric Energy, Capacity and Ancillary Services by Public Utilities*, Order No. 697-A, FERC Stats. & Regs. ¶ 31,268 at P 111 (2008).

proceedings, the fact they have been found just and reasonable provide sufficient grounds to grant the EIM Participants the requested EIM-limited MBR authority.

Notwithstanding that these arguments about the effectiveness of the mitigation are beyond the scope of these proceedings, the EIM Participants believe they also lack merit and will address the substance of several of the arguments made.<sup>4</sup>

**B. Truckee Significantly Overstates the Risk of Under-Mitigation.**

The core of the protest filed by Truckee Donner Public Utility District (“Truckee”) is that the CAISO market power mitigation measures simply may not work enough of the time.<sup>5</sup> In other words, Truckee is focused on times when (a) the CAISO-NV Energy ties would be constrained; *and* (b) the congestion goes undetected. There are several reasons that Truckee’s concern is over-stated.

First, the CAISO-NV Energy interties are large, high capacity ties, with no apparent history of significant congestion in the CAISO to NV Energy direction. Of the various EIM interties, the 1,500 MW of transfer capacity from CAISO into NV Energy in southern Nevada is the largest. While the possibility of congestion cannot be foreclosed, that is the situation that the CAISO’s intertie mitigation addresses.

Second, Truckee focuses on the remote possibility that the CAISO-NV Energy ties would be constrained in some instances *and* such congestion would not be identified by the CAISO in time for mitigation to be triggered. This concern is speculative at best. EIM Participating Resources submit their bids at 40 minutes before the applicable interval. In light of that scheduling requirement, there is almost no chance a resource could know that congestion was

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<sup>4</sup> For the purposes of this answer, the EIM Participants will not answer every comment filed. Their silence on any particular argument should not be deemed agreement or acquiescence on that issue.

<sup>5</sup> *Nevada Power Company, et al.*, Docket Nos. ER15-2281-000, et al., Protest of Truckee Donner Public Utility District at 1-3 (Aug. 17, 2015) (“Truckee Protest”).

occurring, but mitigation was not triggered, such that the resource could alter its bid to take advantage of such a situation.<sup>6</sup> In sum, Truckee's concern about under-mitigation is speculative and unfounded.

**C. A Must-Offer Requirement Is Not Part of the Approved EIM Design and Is Not Necessary.**

Truckee suggests that, for the CAISO tariff's market power mitigation to be effective, it should be accompanied by a must-offer requirement.<sup>7</sup> Without it, they suggest, NV Energy could engage in physical withholding.<sup>8</sup> There are several reasons why this concern is unfounded.

First, it must be emphasized again that the EIM design was not conceived to be accompanied by a must-offer requirement.<sup>9</sup> There are significant operational reasons for that approach. The basis for the must-offer requirement in the CAISO real-time market is that resources which have been designed as a Resource Adequacy Resource must be available in real-time. EIM Participating Resources in Nevada for example are, in CAISO parlance, resource adequacy resources *for their native load*, not imbalance across the EIM footprint. Placing an affirmative obligation on them to bid into the EIM could have unintended, and indeed unexplored, consequences on the ability of participating utilities to meet native load requirements, satisfy operating reserves, and make all reasonable off-system sales for the benefit

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<sup>6</sup> Market power mitigation procedures are performed on a 15-minute basis 37 minutes in advance of each 15-minute interval. The CAISO uses the results of the 15-minute dispatch runs to identify future 15-minute intervals when congestion is projected to occur on specific individual constraints. *See Cal. Indep. Sys. Operator Corp.*, Docket No. ER14-2484-000, Attachment D-Declaration of Dr. Eric Hildebrandt at 13-17 (July 23, 2014).

<sup>7</sup> *Truckee Protest* at 19-20.

<sup>8</sup> *Id.*

<sup>9</sup> *Cal. Indep. Sys. Operator Corp.*, 147 FERC ¶ 61,231 at P 224 (2014) ("Finally, EIM participation is voluntary and an EIM Participating Resource has a great deal of flexibility in determining how much of its resource's capacity it is willing to offer into the EIM.").

of their native load customers.<sup>10</sup> Moreover, units bidding, or not, into CAISO markets from outside the CAISO BAA have to consider California greenhouse gas (“GHG”) costs and limitations, reserve requirements in their home BAAs, fuel limitations, and contractual limitations, among others. In short, a must-offer requirement would be a dramatic rewrite of the EIM design that is not warranted based only on speculative concerns about withholding. Indeed, Truckee has previously described the possibility of a must-offer requirement as “disruptive and controversial.”<sup>11</sup>

Second, while the EIM Participants retain the flexibility to offer various units to provide imbalance, the EIM Participants have no incentive to engage in physical withholding, let alone the type that Truckee suggests. The EIM Participants have significant amounts of load that will pay EIM charges. Moreover, all of the EIM Participants’ off-system sales revenues are credited to retail ratepayers or reduce net power costs, which benefits retail ratepayers, the same ones who would pay the increased clearing price if they were to deliberately withhold to drive up EIM LMPs. Finally, unlike the CAISO Real-Time Market, only *imbalance* is exposed to EIM pricing. The amount of demand for imbalance service is incredibly small compared to the amount of

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<sup>10</sup> As the CAISO has explained,

Although the Energy Imbalance Market is an extension of the CAISO’s real-time market, it is unique in several significant respects. First, under the Energy Imbalance Market construct, EIM entities retain all of their balancing authority responsibilities and must perform their balancing functions in concert with the Energy Imbalance Market in real-time. Second, the CAISO does not cooptimize the use of energy and ancillary services through the Energy Imbalance Market for balancing authority areas other than its own. Therefore, in fulfilling its balancing functions, the EIM entity must maintain a certain amount of capacity within its balancing authority area – the amount of capacity the EIM entity deems necessary to reliably operate its system within the confines of the existing transfer capability limitations. It would be counterproductive for the EIM entity to bid this capacity into the Energy Imbalance market because there is no assurance that this capacity would be retained for use within the EIM entity’s balancing authority area. This “retained” capacity could, if bid into the Energy Imbalance Market, be used to facilitate a transfer to another balancing authority area within the EIM operational footprint, thereby defeating the point of retaining it for purposes of satisfying balancing area obligations.

*See Cal. Indep. Sys. Operator Corp.*, Docket No. ER15-861-000, CAISO Compliance Filing at 10 (Aug. 19, 2015).

<sup>11</sup> *Cal. Indep. Sys. Operator Corp.*, Docket No. ER15-1196, Protest of Truckee Donner Public Utility District at 37 (Apr. 6, 2015).

energy transacted in the CAISO day-ahead and real-time markets. And, at the end of the day, the EIM Participants want EIM to be liquid, competitive, and effective. Therefore, there is little to no incentive to engage in any physical withholding, let alone the type that Truckee suggests.

Third, Truckee also accompanies its request for a must-offer requirement with a proposed restriction on the EIM Participants' ability to make off-system sales before offering into EIM.<sup>12</sup> This suggestion is entirely unreasonable and inconsistent with the entire nature of imbalance. Truckee goes so far as to suggest that selling a cheaper unit in the bilateral market is somehow problematic if that leaves only a more expensive unit to serve imbalance needs.<sup>13</sup> Truckee's hypothetical has no merit. The EIM Participants have every right to sell capacity off-system before it comes time to commit units to the EIM. As an initial matter, NV Energy has a right, and indeed a responsibility to its native load, to make off-system sales where possible. More importantly, the Commission has recognized that imbalance is a top-of-stack product that should be priced *after* taking into account native load and bilateral sales. The standard for pricing imbalance services was established in Order No. 890-A, as follows:<sup>14</sup>

The Commission grants rehearing of the decision to calculate incremental costs for purposes of assessing imbalance charges based on the last 10 MW dispatched to supply the transmission provider's native load. Upon consideration of petitioners' arguments, we agree that it is more reasonable to base imbalance charges on the actual cost to correct the imbalance, which may be different than the cost of serving native load. As such, we will modify the definition to require transmission providers to use the cost of the last 10 MWs dispatched for any purpose, i.e., to serve native load, correct imbalances, or to make off-system sales.<sup>15</sup>

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<sup>12</sup> Truckee Protest at 14-15, 20.

<sup>13</sup> *Id.* at 13-14.

<sup>14</sup> *Preventing Undue Discrimination and Preference in Transmission Service*, Order No. 890, FERC Stats. & Regs. ¶ 31,241, *order on reh'g*, Order No. 890-A, FERC Stats. & Regs. ¶ 31,261 (2007), *order on reh'g*, Order No. 890-B, 123 FERC ¶ 61,299 (2008), *order on reh'g*, Order No. 890-C, 126 FERC ¶ 61,228 (2009), *order on clarification*, Order No. 890-D, 129 FERC ¶ 61,126 (2009).

<sup>15</sup> Order No. 890-A at P 309.

Put another way, imbalance has no call option on the cheapest non-native load capacity under the OATT today, and it has none under the EIM.

Fourth, to support its inference of the possibility of a withholding strategy, Truckee suggests that NV Energy has under-registered its generating fleet.<sup>16</sup> This argument is misleading and incorrect. As Truckee concedes, NV Energy has registered over 6,000 MW to participate in EIM, *i.e.*, to provide imbalance.<sup>17</sup> As noted by the CAISO,<sup>18</sup> much of what remains are renewable resources not suited to provide imbalance. As to the coal capacity not registered, it should be noted that the only capacity of NV Energy's coal fleet in the balancing area that has not been registered is the 260 MW of their share of a plant they co-own with Idaho Power Company. Furthermore, unlike almost all other non-participating resources, this capacity will be available to the balancing authority for economic regulation and reserves, which will allow for more of the participating resource MW to be available to the imbalance market as appropriate. As to the gas resources, NV Energy has registered all of its gas resources. The EIM Participants believe the table cited by Truckee in the DMM report refers to resources in the NV Energy BAA, not NV Energy-owned resources.

Finally, to the extent Truckee's demand for a must-offer requirement is rooted in concerns about possible strategic bidding behavior, the CAISO Tariff requires the DMM to monitor EIM for anomalous behavior that warrants further investigation.<sup>19</sup> The EIM Participants

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<sup>16</sup> Truckee Protest at 16-17.

<sup>17</sup> *Id.*

<sup>18</sup> July 24 CAISO Petition, DMM Report at 5.

<sup>19</sup> In the EIM, because participations is "flexible" and "voluntary," holding a unit back from EIM sales cannot be per se physical withholding. Nonetheless, any bidding behavior that the DMM views as anomalous is within DMM's ability to analyze, and even report to the Commission.

have committed to provide information to DMM to facilitate its market monitoring responsibilities.<sup>20</sup>

**D. The Calculation of Default Energy Bids Has Long Been Found Just and Reasonable.**

Truckee also takes issue with the CAISO's calculation of the DEB, and suggests it could be gamed under EIM.<sup>21</sup> It cannot.

Under the CAISO's market power mitigation measures, when the market power mitigation measures apply, an EIM Participating Resource's bid is mitigated to its DEB. Truckee suggests the 10 percent adder to a unit's DEB could provide an incremental incentive for generators to bid their higher cost units. The calculation of the DEB had been upheld by this Commission,<sup>22</sup> and is outside the scope of the instant proceeding.

That notwithstanding, Truckee's argument fails because there is no reason to believe that the 10 percent adder is any less a legitimate cost for an NV Energy or PacifiCorp unit than it is for a unit in California. The 10 percent adder is an approximation of hard-to-quantify costs, not a "premium" as Truckee suggests.

**E. Outstanding Concerns About the CAISO Pricing Parameter Are Not Germane to the MBR Petitions.**

To further its objections to EIM, and the July 27 MBR Filings, Truckee makes much of "price excursions occurred in the PacifiCorp EIM area notwithstanding the EIM's bid-mitigation provisions..." even in the face of what it concedes is the "the absence of anti-competitive

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<sup>20</sup> See Section 9 of Attachment P of the NV Energy OATT and Section 9 of Attachment T of the PacifiCorp OATT.

<sup>21</sup> Truckee Protest at 13-14.

<sup>22</sup> *Cal. Indep. Sys. Operator Corp.*, 116 FERC ¶ 61,274 at P 1045 (2006) (approving proposed calculation to set a resource's default energy bid at the variable cost plus 10 percent); *see also Cal. Indep. Sys. Operator Corp.*, 147 FERC ¶ 61,231 at PP 217, 224 (2014) (approving CAISO EIM tariff filing and noting that CAISO's default energy bid calculation has already been previously accepted by the Commission as just and reasonable).

behavior in the PacifiCorp EIM area....”<sup>23</sup> It is well-established that the price excursions in the EIM during the first year of PacifiCorp’s participation were not the result of anti-competitive bidding on PacifiCorp’s part.<sup>24</sup> The CAISO’s August 19, 2015 tariff filing in Docket Nos. ER15-861-000 and EL15-53-000 correctly refers to the problem as a “structural market design issue” and its proposed solution has nothing to do with anti-competitive behavior.

**F. Requests to Return to OATT Imbalance Pricing Within EIM Should be Rejected.**

Both Truckee and Powerex Corp. (“Powerex”) at times call for the use of existing OATT Schedules 4 and 9 to price imbalances in such times as the CAISO’s market power mitigation would be triggered.<sup>25</sup> These proposals would simply undo the EIM. Market index pricing under the current OATT may in fact be less efficient from a market standpoint than a requirement for mitigated units to bid the DEB. Use of the DEB within the EIM dispatch ensures that the cost to meet the imbalance is based on actual dispatch of participating units, not a remote index. In any event, there is no basis on this record for simply turning off the EIM when constraints bind and approved mitigation measures are available.

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<sup>23</sup> Truckee Protest at 18-19.

<sup>24</sup> As the DMM stated in its informational report filed on August 21, 2015 in Docket No. ER15-402, Bidding in the EIM has been highly competitive, with bids for most capacity slightly below or above default energy bids (DEBs) used in market power mitigation. Thus, when relatively high EIM prices have occurred, these prices reflect penalty prices for software constraints rather than bid prices. In addition, when bids are mitigated due to market power mitigation provisions, these procedures generally result in modest reductions in bid prices.

*See Cal. Indep. Sys. Operator Corp.*, Docket No. ER15-402-000, CAISO Department of Market Monitoring Report on EIM Issues and Performance at 12 (Aug. 21, 2015).

<sup>25</sup> *Truckee Protest* at 24-25; *Nevada Power Company, et al.*, Docket Nos. ER15-2281-000, et al., Comments of Powerex Corp. at 6-7 (Aug. 17, 2015).

**G. Concerns About Impact of PACE BAA Resources in the NV Energy BAA Are Unfounded.**

Truckee next expresses a concern that when resources in the NV Energy BAA are mitigated, an opportunity exists for resources in the PACE BAA to raise EIM prices.<sup>26</sup> This issue deals with the application of the intertie mitigation. On August 28, 2015 in Docket No. ER15-2272, the CAISO filed an answer to Truckee and others, in which it explained in considerable detail that the intertie mitigation would apply in each of the various scenarios where congestion appears on some but not all of the EIM interties.<sup>27</sup> In addition, as was discussed above, the DMM has the ability to monitor for any anomalous bidding behavior in the EIM. One presumes that hours in which there is congestion on some EIM interties are the hours in which oversight is most relevant and valuable.

**H. Provisions Allowing for Participation without MBR Authority Are Necessary and Just and Reasonable.**

The EIM Participants also included language in their respective tariffs to require them to bid their DEB for any period for which they are not granted MBR authority. Truckee protests this provision on the grounds that the DEB is not a cost-based price, which Truckee claims includes a “premium” (an argument disposed of above) and that the EIM Participants should not be able to receive the market-clearing price.<sup>28</sup> These objections are unfounded.

First, if EIM Participating Resources do not receive a market-clearing price, the EIM ceases to become a market, rather it would be more akin to a reserve sharing agreement. The point is that if there is an insufficient basis to provide MBR authority, the EIM Participants’ *bids* would be mitigated so they could not set a market-clearing price above its DEB.

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<sup>26</sup> *Truckee Protest* at 11.

<sup>27</sup> *Cal. Indep. Sys. Operator Corp.*, Docket No. ER15-2272-000, CAISO Answer to Comments at 8-15 (Aug. 28, 2015).

<sup>28</sup> *Truckee Protest* at 22.

As to Truckee’s concern that the EIM Participants could choose the “LMP Option” choice of calculating the DEB,<sup>29</sup> while it is not clear that LMP Option would be available,<sup>30</sup> the LMP Option uses the “lowest quartile of weighted average of the lowest quartile of LMPs at the Generating Unit PNode in periods when the unit was Dispatched...”<sup>31</sup> Therefore, in the event the LMP Option was invoked, the EIM Participants’ bids would be set by market data (indeed, the lowest quartile of applicable market data), thereby eliminating the possibility of the exercise of market power.

Second, contrary to Truckee’s claim, the *J.P. Morgan*<sup>32</sup> precedent cited in the July 27 MBR Filings is instructive. There, a CAISO market participant lost its market-based rate authority. (It is immaterial why for the purposes of this discussion.) The fact is, without market-based rate authority, JP Morgan was permitted to receive, but not set, the market-clearing price.<sup>33</sup>

The Commission stated with regard to use of the DEB for J.P. Morgan:

[T]he generated bid [the DEB less the 10% adder] does not account for all of a market participant’s costs. In particular, the generated bid is comprised of a resource’s fuel costs and its variable operation and maintenance costs. Notably, the generated bid does not account for a resource’s fixed or incidental costs. In comparison, the Commission has previously recognized that a resource’s default energy bid, which is by definition 10 percent higher than the generated bid, presents market participants with a reasonable opportunity to recover their costs.<sup>34</sup>

Any other outcome in these circumstances would be highly discriminatory given the facts of that case.

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<sup>29</sup> *Id.*

<sup>30</sup> Under section 39.7.1.2 of the CAISO Tariff, the LMP option of DEB requires a “feasibility test, as set forth in a Business Practice Manual, to determine whether there are a sufficient number of data points to allow for the calculation of an LMP based Default Energy Bid.”

<sup>31</sup> CAISO Tariff at section 39.7.1.2.

<sup>32</sup> *J. P. Morgan Ventures Energy Corp.*, 141 FERC ¶ 61,131 (2012).

<sup>33</sup> *Id.*

<sup>34</sup> *Cal. Indep. Sys. Operator Corp.*, 142 FERC ¶ 61,191 at P 29 (2013) (citing *J.P. Morgan* at P 53).

#### IV. CONCLUSION

WHEREFORE, the EIM Participants respectfully request that the Commission accept this answer and grant the EIM Participants the limited market-based rate authority in the NV Energy BAA to participate in EIM.

Respectfully submitted,

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Dated: September 1, 2015.  
Washington, D.C.

## **CERTIFICATE OF SERVICE**

I hereby certify that on this 1<sup>st</sup> day of September 2015, I have caused a copy of the foregoing document to be served electronically on each person listed on the Secretary's official service list for the above-referenced proceeding.

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