

**Energy Imbalance Market Tariff Changes - Stakeholder Comment Matrix on Draft EIM Tariff Language**  
**NV Energy**  
**December 2, 2014**

<u>Section/Topic</u>	<u>Commenter</u>	<u>Comment</u>	<u>Response</u>
Attachment P, Section 3.1 Internal Resources – Transmission Rights	WPTF	NV Energy’s latest set of proposed revisions to its Open Access Transmission Tariff (OATT) will unnecessarily restrict participation in the EIM. As evidenced by the recent CAISO Petition for Limited Tariff Waiver, upon initial EIM implementation it will be critical to ensure a sufficient amount of participating resources within the EIM Entity to satisfy imbalance needs in the NV Energy BAA. Resources interested in participating may include non-generating resources. While it is not clear that any non-generating resources would participate in the initial implementation of NV Energy’s EIM, NV Energy should be seeking ways to increase potential participation of third parties, not further restrict it. Therefore, WPTF recommends NV Energy remove the requirement for internal resources to be “generating” resources.	At this time we only include generating resources. NV Energy will consider future tariff amendments to accommodate non-generating resources.

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Attachment P, Section 3.2 Resources External to NV Energy's BAA	WPTF	In addition, NV Energy, consistent with PacifiCorp's EIM practices, has opted to only allow external resources to participate in the EIM through a Pseudo-Tie into NV Energy's BAA. Again, in light of the thin participation PacifiCorp has experienced in the EIM, WPTF encourages NV Energy to reconsider this restriction. Adding the capability for external resources to participate in the EIM via a Dynamic Schedule and expanding the EIM to include economic bidding at NV Energy's interties should expand the number of NV Energy EIM Participating Resources, which should reduce the likelihood NV Energy will experience the same problems that are currently being experienced by PacifiCorp.	While we currently only allow a resource connected via a Pseudo-tie, the NV Energy EIM Entity will examine economic bidding at the interties and dynamic schedules for future enhancement to the NVE EIM.
Attachment P, Section 1 General Provision	TDPD	<p><i>Sections 4.1.2.1, 4.1.3, 4.1.4, 4.2.3, 4.2.4, 5.1, 6 and 7 of this Attachment P take effect no earlier than September 23, 2015. Sections 4.1.1.5, 4.1.5, 4.1.6, 4.2.5, 5.2, 5.3, 8 and 10 of this Attachment P take effect no earlier than October 1, 2015 or the implementation date of the EIM, whichever is later.</i></p> <p>Since this date has already passed, this alternative makes no sense. But it may make sense to specify as the alternative the date as of which FERC allows NVE to begin its participation in EIM.</p>	These are 2015 dates for the NV Energy EIM implementation. We will review the language in the tariff and make changes as necessary to clarify the meaning.
Attachment P, Section 1 General Provision	TDPD	<p><i>This Attachment P shall apply to all Transmission Customers and Interconnection Customers, as applicable, with new and existing service agreements under Parts II, III, IV, and V of this Tariff</i></p> <p>It does not appear that NVE has a part V of its OATT.</p>	NV Energy will remove the reference to part V.

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Attachment P, Section 2 Election of Transmission Customers to become NV Energy EIM Participating Resources	TDPD	<p><i>The decision of a Transmission Customer to participate in the EIM with resources as NV Energy EIM Participating Resources is voluntary.</i></p> <p>Given the voluntary nature of the EIM (both by NVE and transmission customers with resources), how will NVE’s customers be protected against unjust and unreasonable Schedule 4 charges due to lack of participating resources?</p>	<p>NV Energy is committed to providing its customers with exceptional service in reliability, dependability and fair prices. The NV Energy EIM Entity will work with its transmission customers to address market conditions that may result in unjust and unreasonable prices. There is a dispute resolution process in Section 12 of the OATT and customers retain all rights to file a Complaint with the FERC under the relevant provisions of the Federal Power Act. There is also a 90 day transition period in which the binding constraints are set at a lower price.</p>
Attachment P, Section 4.1.1.3 Determination of EIM Implementation Decisions for NV Energy’s BAA	TDPD	<p><i>(2) Load Aggregation Point: There shall be one LAP for NV Energy. There shall be a load forecast prepared for the LAP.</i></p> <p>The passive voice here makes it ambiguous as to who is going to prepare the load forecast. Presumably NVE? Or does this refer to the forecast prepared by the MO provided for in the next section?</p>	<p>The single load forecast for the NV Energy Balancing Area will be prepared by the Market Operator. NV Energy will delete the second sentence of this provision in order to eliminate the ambiguity noted by TDPD.</p>
Attachment P, Section 4.1.4 Provision of Meter Data	TDPD	<p><i>4.1.4 Provision of Meter Data</i></p> <p><i>The NV Energy EIM Entity shall submit <b>load, resource, and Interchange data</b> to the MO in accordance with the format and timeframes required in the MO Tariff on behalf of Transmission Customers with Non-Participating Resources, loads, and Interchange.</i></p> <p>This may be a stupid lawyer question. Is it not necessary to also provide Intrachange data? Or is Intrachange excluded here because it is tagged but not actually metered? Note that the section heading refers to meter data, but the text of the section itself does not</p>	<p>The provision of intrachange data is not required in the MO Tariff, nor is it needed for the MO to perform settlement with the NV Energy EIM Entity. Intrachange will be used by the NV Energy EIM Entity in the calculation of settlements for NVE transmission customers.</p>

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		(the word “meter” has been deleted from the prior version).	
Attachment P, Section 4.2.4.1 Transmission Customers with an NV Energy EIM Participating Resource	TDPD	<p><i>A Transmission Customer with an one or more NV Energy EIM Participating Resources shall submit Forecast Data to the NV Energy EIM Entity. This submission must include data on all <b>resources</b>, Interchange, and Intrachange which balance to the Transmission Customer’s anticipated load, as applicable. If the Transmission Customer does not serve load within NV Energy’s BAA, submission of Forecast Data shall include data on all resources, Interchange, and Intrachange which shall balance to the Transmission Customer’s anticipated actual generation.</i></p> <p>Here and throughout this section 4.2.4, it seems that “resources” is used in a shorthand fashion to refer to the combination of NV Energy EIM Participating Resources and Non-Participating Resources. If this is the correct interpretation, the term would presumably exclude, for example, resources of less than 3 MW. But this is not clear. Elsewhere in Attachment P the lower-case “resource” term is used more generally. I found this somewhat confusing as I read section 4.2.4.</p>	<p>Transmission Customers must submit balanced schedules to the EIM Entity. This will include any resources, participating or non-participating, that are used to meet the load forecast. This includes resources of less than 3 mw.</p> <p>A forecast of the unit itself would not be required but how it would be used to meet a balanced forecast would.</p>
Attachment P, Section 4.2.4.2 Transmission Customers with Non-Participating Resources	TDPD	<p>(4) <i>A Transmission Customer with a <b>Non-Participating Resource that is a Variable Energy Resource</b> shall submit (i) resource Forecast Data with hourly granularity and (ii) resource Forecast Data with 5-minute or 15-minute granularity.</i></p> <p>Is it the case that all VERs will be Non-Participating Resources? This section and 4.2.4.2.1 seem to apply</p>	<p>Variable Energy Resources (VERs) may be designated as NV Energy EIM Participating Resources. VERs may be bid in an upward direction up to their forecasted production.</p>

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		only to Non-Participating Resources, but I don't see any provision expressly foreclosing VERs from being NV Energy EIM Participating Resources.	
Attachment P, Section 4.2.4.3 Transmission Customers with Load	TDPD	<p><i>As set forth in Sections 4.2.4.1 and 4.2.4.2 of Attachment P, a Transmission Customer is required to submit Forecast Data on all resources, Interchange, and Intrachange which balance to the Transmission Customer's anticipated load, as applicable.</i></p> <p><i>Transmission Customers opting for physical delivery of Real Power Losses shall supply Interchange Forecast Data for amounts of power to be delivered at Point(s) of Delivery and the amounts of energy expected to be received at the Point(s) of Receipt .</i></p> <p>Does this mean losses can only be supplied on Interchange (not from resources within the system)? Note that the same language is used in Sections 4.2.4.1 and 4.2.4.2.</p>	Real Power Losses can be supplied from any customer resources as stated in 4.2.4.3. EIM losses are part of the LMP.
Attachment P, Section 4.2.4.3 Transmission Customers with Load	TDPD	<p><i>For purposes of settling Energy Imbalance Service pursuant to Schedule 4 of this Tariff, the NV Energy EIM Entity shall calculate the load component of the Transmission Customer Base Schedule as its resource Forecast Data net of its Interchange Forecast Data and net of its Intrachange Forecast Data, as applicable.</i></p> <p>The reference to Interchange and Intrachange forecasts being "netted" against resource forecasts seems to suggest that Interchange and Intrachange will be deducted from resource data. For an entity such as Truckee that has no "resources" (assuming, as noted in the previous comment, that the term as used here means the combination of NV Energy EIM Participating Resources and Non-Participating Resources), and will rely entirely on Interchange to meet its load, that math doesn't work. But maybe I am interpreting "netting"</p>	<p>Load = (resource Forecast Data) - (Interchange Forecast Data) - (Intrachange Forecast Data)</p> <p>where, net imports by a Transmission Customer are a negative value and net intrachange purchases are a negative value.</p> <p>A numerical example follows: A customer with forecasts 64 MW of load for a given hour. This customer does not have any "resources" and plans on using imports to satisfy their load obligation.</p> <p>Load = (0 MW) - (-65 MW – includes 1</p>

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		incorrectly.	MW for Real Power Losses) - (0 MW) Load = 65 MW
Attachment P, Section 4.2.5 Metering for Transmission Customers with Non-Participating Resources	TDPD	<i>Parts IV or V of this Tariff.</i> No Part V?	NV Energy will remove the reference to part V.
Attachment P, Section 8.4 Charges for Under-Scheduling or Over-Scheduling Load	TDPD	<i>Charges or Payments for Under-Scheduling or Over-Scheduling Load</i>  On our conference call, I thought NVE explained that these provisions related to any differences between the aggregate NVE load forecast (as prepared by MO) and the actual aggregate NVE load. Did I misunderstand? Reading these provisions more closely and in conjunction with Section 29.11(d) of the MO Tariff, it's plain that these sections relate to the penalties NVE would incur if the difference between the actual NVE load and the load forecast exceeds certain thresholds. And I gather the hope/intention is that these penalties will not apply because NVE will use the MO load forecast (although I note that is not sufficient to avoid the penalty – NVE must also approve “EIM Base Schedules” that are within +/- 1% of the MO forecast). If I'm reading the MO tariff correctly, the settlement of the basic difference between the NVE aggregate load and the MO's forecast happens under Section 29.11(b)(3)(C), and NVE will bear the costs or keep the proceeds under Section 8.2 above. Is this correct?	If NV Energy uses the CAISO Load Forecast and maintains supply within +/- 1% of the CAISO Load Forecast, no imbalance penalties will be assessed by the MO to NV Energy as the EIM Entity. In the event that the approved Base Schedules are not within 1% of the MO forecast and there are penalties associated with Section 29.11(d) of the MO Tariff, then the NV Energy EIM Entity will allocate the penalties to the customers who are responsible based on their load/ratio share of imbalance responsible for the penalty.  NV Energy will offer tariff amendments such that if a customer incurs an imbalance, NV Energy will assess a penalty to that customer whether or not the MO has assessed a penalty to NV Energy as the EIM Entity. Penalties collected by NV Energy will be returned to non-offending customers through an allocation methodology. If NV

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			Energy as the BAA dispatches resources to prevent an imbalance between the MO and NV Energy as the EIM Entity, that imbalance will be treated as an instructed imbalance and no penalty will be assessed to NV Energy.
Attachment P, Section 8.4.2 Over-Scheduling Load	TDPD	<p><i>Any charges to the NV Energy EIM Entity pursuant to Section 29.11(d)(2) of the MO Tariff for over-scheduling load shall be assigned to the Transmission Customers subject to Schedule 4 based on each Transmission Customer's respective over-scheduling imbalance ratio share, which is the ratio of the Transmission Customer's over-scheduled load imbalance amount relative to all other Transmission Customers' over-scheduled load imbalance amounts who have over-scheduled load for the Operating Hour, expressed as a percentage.</i></p> <p>I realize that Section 29.11(d)(2) refers to “charges” in the title, but it’s really a deduction from what NVE gets paid, representing a penalty for excessive deviations from the MO forecast. The terminology is confusing.</p>	We believe it is appropriate to leave this language as drafted. This is consistent with the MO Tariff.
Attachment P, Section 10.4.1 Temporary Schedule 4 – Energy Imbalance Service	TDPD	<p><i>(i) the portion of deviations within +/-1.5 percent (with a minimum of 2 MW) of the scheduled transaction to be applied hourly to any energy imbalance that occurs as a result of the Transmission Customer's scheduled transaction(s) will be netted on a monthly basis and settled financially, at the end of the month, at 100 percent of the Market Price Proxy ;</i></p> <p>I see that the definition of Market Price Proxy has been deleted from this section, presumably because there it is now in the definitions. However, the term defined in Part I-1 is “Market Pricing Proxy.” That should be changed to “Market Price Proxy.”</p>	Noted. We will use Market Price Proxy consistently in the tariff language.

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General Questions	TDPD	(1) how it (Truckee) will be able to determine LMPs that would be applicable to its imbalances if the LAP were no longer in effect	<p>(1) CAISO currently publishes LMPs within the CAISO BAA for all load withdrawal nodes in its system. The MO currently is not publishing all load withdrawal nodes in PacifiCorp due to implementation limitations. Assuming no implementation limitations in the NV Energy EIM, LMPs will be published for all load withdrawal nodes in the NVE BAA. Truckee can then identify the load withdrawal nodes in their territory.</p> <p>NV Energy is currently working with the CAISO to integrate the NVE system into the MO's network model. The MO will publish LMPs for nodes in the NVE BAA based on the implementation of the network model.</p>
		(2) whether the GHG adder will apply to the small portion of the NVE BAA that is within California	(2) The GHG adder will not apply to load served in the NV Energy EIM Entity. In the case of Load Serving Entities in the NV Energy BAA that serve load in California it is their obligation to comply with the CARB GHG obligations.
		(3) will the larger Stampede generator (rated(?)/nameplate(?) capacity of 3.0 MW) need to be registered as a Non-Participating Resources, and/or will Truckee's purchases from Stampede be considered Intrachange?	(3) It is our opinion that Stampede does not need to be registered as it doesn't have an actual output of 3mw. It will need to be included as intrachange on the submitted customer forecasts.

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