

Section/Topic	Commenter	Comment	Request and/or OATT Revision Suggestion	PSE Response
PSE Southern Intertie (Attachment O)	Morgan Stanley	The current PSE OATT does not sufficiently/clearly state how PSE Southern Intertie Transmission Customers will be impacted by PSE's participation in the EIM.	The PSE OATT needs to include a section/sub section that states whether or not PSE Southern Intertie Transmission Customer base schedules are in scope for the EIM.	Transmission service on PSE Southern Intertie and Colstrip facilities are not impacted by Attachment O, including the requirement for Transmission Customer Base Schedules, as the transmission service is not within nor does it utilize interchange with the PSE Balancing Authority Area (BAA). Schedule 12A specifies the Load Aggregation Point (LAP) as the energy price of losses on the Southern Intertie and Colstrip segments.
	Powerex	The application of PSE's proposed scheduling timelines across all segments of its system is not entirely clear.	Powerex requests that PSE confirm that the EIM scheduling timelines will not apply to schedules where PSE offers service but is not the path operator, which would include schedules on the Southern Intertie, Northern Intertie and Colstrip segments.	The EIM scheduling timelines will not apply to schedules utilizing PSE transmission on the Southern Intertie and Colstrip facilities, as transmission service on these facilities are not within nor do they utilize interchange with the PSE BAA. Attachment O and the associated timelines will apply to schedules utilizing PSE transmission on the Northern Intertie facilities, as transmission service on these facilities utilize interchange with the PSE BAA.
Penalty Bands (Schedules 4, 4R and 9)	Western Power Trading Forum (WPTF)	Penalty tiers in Schedule 4, 4R and 9 are inappropriate for imbalance prices determined by the Market Operator through the EIM.	Remove all penalty tiers from Schedule 4, 4R and 9.	PSE received a number of comments around the penalty bands, both in support and opposition. PSE listened to stakeholders and upon additional discussion and review, has removed the penalty bands from its tariff at this point in time.
	Powerex	Powerex is concerned that PSE's proposed EIM revisions will impose EIM based charges on all transmission customers, in addition to the congestion charges.	In general, Powerex supports retention of the Commission-approved tiered charges for under- and over-scheduling, as laid out in the pro forma Schedules 4 and 9.	

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Penalty Bands (Schedules 4, 4R and 9) – cont’d	BPA	...Locational pricing will provide more-accurate economic signals to transmission customers— directly linked to the amount of imbalance a customer creates— obviating the need for penalties to incent good scheduling behavior.	Schedule 4 should conclude at “ . . . for each hour during the previous month shall be accessible through the MO’s OASIS.” All subsequent text should be deleted. Schedule 9 should be edited such that all text between the sentence ending “. . . as determined by the MO under Section 29.11(b)(3)(B) of the MO Tariff.” and the sentence beginning “The following provisions shall apply to Transmission Customers which have received a Manual Dispatch . . .” is deleted. Bonneville does not take service under Schedules 4R and 9R, but those schedules may need similar revisions.	(see above)
	PacifiCorp	PacifiCorp supports PSE’s revisions to its OATT Schedule 4 and notes that PSE has maintained its Schedule 4 penalty tiers for energy imbalance settlements. PacifiCorp believes that inclusion of penalty tiers in Schedule 4 could be justified if an EIM entity has concern that loads will intentionally or negligently inflate their base schedules and receive Schedule 4 imbalance payments when actual loads are less than base schedules. PacifiCorp is currently contemplating the appropriateness of including similar penalty tiers in its OATT in the future.	N/A	

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Penalty Bands (Schedules 4, 4R and 9) – cont’d	Seattle City Light	PAC does not include penalty bands in their tariff; what is PSE’s rationale for including penalty bands for imbalance service? Doesn’t LAP pricing provide the necessary signal to incent appropriate scheduling behavior, making additional penalties redundant and punitive? Are the inclusion of penalty bands potentially in conflict with Order 764, in that penalties could create an “unjust” result?		<i>(see above)</i>
Allocation of Operating Reserves (Attachment O, Section 8.12)	Western Power Trading Forum (WPTF)	PSE has proposed not to sub-allocate payments made to the PSE EIM Entity by the CAISO for operating reserve obligations associated with EIM transfers, and has proposed to allocate any charges assessed by the CAISO for operating reserve obligations to Transmission Customers. This practice is inconsistent with the practices of other EIM entities.	WPTF recommends PSE adopt language similar to that used by NV Energy. Specifically, "Any payments to the PSE EIM Entity pursuant to Section 29.11(n)(1) of the MO Tariff for Operating Reserve Obligations shall be sub-allocated to Transmission Customers with PSE EIM Participating Resources in the PSE BAA for Operating Hours during which EIM Transfers from the PSE BAA to another BAA occurred. Payments shall be sub-allocated on a ratio-share basis, defined as the proportion of the volume of Operating Reserves provided by a PSE EIM Participating Resource in the PSE BAA dispatched during the Operating Hour compared to the total volume of Operating Reserves provided by all PSE EIM Participating Resources dispatched in the PSE BAA for the Operating Hour."	PSE appreciates the customer input and will revise Attachment O, Section 8.12 to sub-allocate payments and charges to transmission customers consistent with NV Energy’s filed OATT Attachment P, Section 8.12.

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Allocation of Operating Reserves (Attachment O, Section 8.12) – cont’d	Powerex	PSE proposes pursuant to Attachment O Section 8.12 to sub-allocate CAISO’s charges for Operating Reserves to its transmission customers. However, PSE proposes NOT to sub-allocate the credits PSE receives from CAISO for Operating Reserves to its transmission customers.	Powerex requests that PSE explain why it is appropriate for the EIM credits and charges from the CAISO to become a source of revenue for PSE.	<i>(see above)</i>
Scheduling Timelines (Attachment O Sections 4.2.4, 4.2.4.1-4)	Powerex	Under the proposed revisions, PSE’s Firm Point to Point transmission customers submitting or adjusting their scheduled deliveries after T-57 will no longer be shielded from congestion on the reserved facilities arising from the use of those same facilities by customers using the facilities for EIM Transfers, even if the transmission used to support EIM transfers is a lower priority. Because of the potential that the demonstrably volatile and unpredictable EIM imbalance charges will be as applied to wheel-through schedules—that are, in fact, fully balanced—such transactions are rendered financially risky and often uneconomic.	<p>Powerex requests that PSE explain the rationale for imposing EIM settlements to two otherwise identical schedules submitted just 5 minutes apart.</p> <p>Powerex requests that PSE identify all of the costs incurred by PSE for the later schedule that it will not incur from accepting the earlier schedule.</p> <p>Powerex requests that PSE consider, through this stakeholder process, alternative approaches that implement the CAISO EIM provisions while preserving the protection of Firm point-to-point transmission reservations from congestion / redispatch charges based on the T-57 scheduling deadline.</p> <p>Powerex requests that PSE explain the justification for charging congestion for the use of Firm reservations rather than for the use of Non-Firm reservations.</p>	PSE’s proposed scheduling timeline for the EIM is consistent with the scheduling timelines under CAISO’s, PacifiCorp’s and NV Energy’s (proposed) tariffs. The Federal Energy Regulatory Commission (FERC) has reviewed and accepted the EIM scheduling timeline in CAISO, PacifiCorp and NV Energy dockets, 147 FERC ¶ 61,231 (2014), 147 FERC ¶ 61,227 (2014), and 151 FERC ¶ 61,131 (2015).

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<p>Scheduling Timelines (Attachment O Sections 4.2.4, 4.2.4.1-4) – cont’d</p>		<p>Example 1: An energy delivery schedule submitted at T-60 will not be subject to any EIM-related settlement, but the identical schedule submitted five minutes later, at T-55, will.</p> <p>Example 2: An energy delivery schedule submitted at T-45 using a Firm PSE transmission reservation will be charged for congestion, whereas an energy delivery schedule submitted at T-60 on the same path but using Non-Firm transmission will not.</p> <p>Example 3: Transmission customers seeking to use a Firm PSE transmission reservation on a 15-minute basis, consistent with FERC Order No. 764, are permitted to make scheduling changes up to 20 minutes prior to the start of each 15-minute interval.</p>	<p>Powerex requests that PSE confirm that all use of 15-minute scheduling by PSE’s transmission customers, including those scheduling on Firm transmission reservations, will be subject to financial settlement at EIM based prices, duplicative to the charges customers already pay for use of the applicable facilities.</p>	

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Scheduling Timelines & Schedule 13 (Attachment O Section 4.2.4.5.2 and Schedule 13)	Powerex	PSE’s proposed EIM scheduling timelines appear to conflict with the timelines in its existing Schedule 13	<p>Powerex requests that PSE provide information on anticipated effects of PSE’s EIM proposal on Schedule 13 scheduling and charges.</p> <p>Specifically:</p> <ul style="list-style-type: none"> * Will schedules submitted pursuant to Schedule 13 be exempted from proposed Schedules 4 and 9 imbalance charges, if submitted in accordance with the terms of the settlement and Schedule 13 but after T-57? * Will forecast data submitted pursuant to Schedule 13 be exempted from the apparently contradictory forecast requirements for VERs in PSE’s proposed Attachment O Sections 4.2.4., 4.2.4.1, and 4.2.4.2? 	<p>PSE is not proposing changes to Schedule 13 at this time. When PSE made various changes to Schedule 13, (ER 11-3735 which resulted in a settlement agreement that is effective until the end of 2016), it acknowledged in its filing to FERC that the scheduling timelines were based on existing practices and anticipated that practices could change in the future. Additionally, PSE will review its applicable operating and business practices regarding this matter.</p>
EIM Prices - Real Power Losses (Schedule 12 and 12A)	Powerex	Under Schedule 12, losses on the Washington Area Transmission Facilities (“WATF”) segment of PSE’s system will be charged based on a transmission customer’s Base Schedule (i.e., on the MW submitted at T-57), not on the customer’s actual flow. Under Schedule 12A, however, losses on the Colstrip or Southern Intertie facilities will be charged based on the “amount of power scheduled to be delivered.”	<p>Powerex requests that PSE clarify whether Schedule 12A is intended to refer to “Base Schedules” or to the final e-Tag quantity (i.e., the actual quantity deemed delivered).</p> <p>If the latter, Powerex requests that PSE explain the reason for the differing approaches, and explain how it will prevent double-charging of losses for any difference between the Base Schedules and final delivered scheduled quantities, since this will already be subject to settlement at EIM prices. Powerex requests that PSE explain why Schedule 12 defines how the quantity of Real Power Losses will be calculated while Schedule 12A does not.</p>	<p>PSE would like to clarify that when charging for transmission losses on the Southern Intertie and on the Colstrip facilities, the calculation will be based off of the final e-Tag quantity (the actual MWhr quantity deemed delivered). The Southern Intertie and Colstrip are not in PSE’s Balancing Authority (“BA”). Therefore, purchases on these paths are not subject to the requirements of the EIM, and thus, transmission customers making purchases from PSE on these paths will not be asked to submit Base Schedules.</p> <p>PSE appreciates the note pointing out how the quantity of Real Power Losses is more clearly defined in Schedule 12 than in Schedule 12A, and PSE has revised Schedule 12A in the current OATT posting to include similar language defining the calculation.</p>

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EIM Prices/Real Power Losses - Southern Intertie & Colstrip (Schedule 12A)	Powerex	Under Schedule 12A, losses for service over PSE’s Colstrip or Southern Intertie facilities are settled based on the LAP price for PSE’s system, even though the transmission service being provided is not, in fact, over the PSE transmission system.	<p>Since service over the Southern Intertie does not imply any service across the PSE BAA at all, Powerex requests that PSE explain why PSE’s proposed loss charges should apply to that service. Powerex requests that PSE explain why it is appropriate to settle losses on schedules over the Colstrip or Southern Intertie facilities using the PSE BAA LAP price.</p> <p>Powerex requests that PSE explain why it is appropriate to apply the congestion and marginal loss component of the PSE BAA LAP price when settling losses on schedules over the Colstrip or Southern Intertie facilities.</p>	Loss compensation for service on both the Washington Area system and on the Southern Intertie and Colstrip segments is currently settled financially at the ICE Mid-C index. LAP pricing will become available when PSE joins the EIM and the LAP will provide a more accurate representation of PSE’s marginal cost of producing energy necessary to supply losses, including losses on the Colstrip and Southern Intertie segments. This is consistent with how other EIM Entities calculate losses, see PacifiCorp, 147 FERC ¶ 61,227 P 162 (2014) (“we (FERC) are concerned that the continued use of the Hourly Pricing Proxy for Schedule 10 is inconsistent with the use of the EIM LMP in Schedule 4 and Schedule 9. Therefore, we direct PacifiCorp to revise its Schedule 10 to financially settle losses using the full LMP in place of the Hourly Pricing Proxy.”).
Imbalance Service Prices (Schedules 4 and 9)	Powerex	Powerex is concerned that PSE’s proposed wholesale revisions of its Schedules 4 and 9 will subject those customers to unjust and unreasonable EIM prices for imbalance services based on those customers’ use of their pre-existing OATT rights.	Powerex requests that PSE clearly explain how it will ensure it commits sufficient competitively priced resources to service the imbalance needs of its customers, and thus ensure that Schedule 4 and Schedule 9 rates reflect the most economic available resources; Powerex believes that retaining the existing Schedule 4 and 9 pricing and risk-bearing structures is absolutely critical to ensuring that participation in the EIM is truly voluntary and just and equitable for PSE’s current OATT customers.	The EIM contains several measures to ensure competitive pricing and adequate supply. Department of Market Monitoring review of market behavior and the market power mitigation process ensure competitive market behavior and pricing and enforces default energy bids for parties determined to have market power. The CAISO resource sufficiency tests encourage EIM Entities to bid sufficient resources to fully participate in the market, limiting participation if the resource sufficiency tests are not passed. PSE, as the BA, is required to maintain sufficient resources to meet system needs and be in compliance with NERC and WECC reliability criteria within the BAA. FERC has directed CAISO to ensure readiness of new EIM Entities, including a market simulation and parallel operation period and the submission of market readiness certification at least 30 days prior to financially binding operations in the EIM. PSE believes that these processes will demonstrate and ensure the adequacy and readiness of its EIM resource planning.

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<p>Transmission Transfer Capacity & Interchange Rights Holder transmission (Attachment O, Section 5.2)</p>	<p>Powerex</p>	<p>Though PSE has included some limited detail about scheduling and e-Tagging of the Interchange Rights Holder’s transmission, Powerex is concerned about the current lack of transparency regarding the use of these rights. The E3 benefits study submitted to support PSE’s EIM Implementation Agreement with CAISO assumed 300 MW as the “low” transfer case and 900 MW as the “high” transfer case.</p>	<p>In the August 7 stakeholder meeting, PSE indicated that it proposes to use only its merchant’s transmission rights for EIM Transfers upon initial implementation of the EIM. Powerex requests that PSE confirm or correct this information. Powerex requests that PSE provide information as to how much transfer capacity, and on what paths, PSE is proposing to initially make available for EIM Transfers. For example, PSE’s August 7 stakeholder meeting materials referenced 300 MW and 400 MW of EIM Transfer capacity. How has PSE determined availability of this capacity for EIM Transfers?</p> <p>Powerex requests that PSE explain whether it proposes, upon initial EIM implementation or at a later time, to use transmission reservations across third party transmission providers’ systems pursuant to the Interchange Rights Holder mechanism? If so, Powerex requests that PSE provide information as to how much third-party transmission capacity PSE proposes to make available, and on which transmission providers’ systems and on what paths. To what extent does the E3 benefits study reflect the transmission capacity PSE anticipates being made available through the Interchange Rights Holder mechanism?</p>	<p>PSE’s draft OATT Attachment O, Section 5.2 and Section 5.3 have provisions for EIM Transfer Capacity by a PSE Interchange Rights Holder and by the PSE EIM Entity utilizing Available Transfer Capacity (ATC). These provisions facilitate EIM Transfer Capacity on the PSEI transmission system. These provisions allow for use of any transmission customers’ rights, should they make their rights available to the EIM, as well as ATC from the PSE EIM Entity.</p> <p>The referenced 300 MW and 400 MW of EIM Transfer capacity are taken from the E3 Benefits Analysis, reflecting the modeled 300 MW capacity between PSE and PACW and modeled 400 MW capacity between PACW and CAISO.</p> <p>The Interchange Rights Holder mechanism only pertains to the PSE transmission system. PSE is collaborating with BPA and its customers to determine the approach for effectuating EIM Transfers across the BPA transmission system.</p> <p>The Interchange Rights Holder mechanism for EIM Transfers is a transmission customer activity and is not determined by the PSE EIM Entity.</p>

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Transmission Transfer Capacity (Attachment O, Section 5.3)	Powerex	Powerex believes that PSE’s proposed ATC approach will result in the premature expiry and confiscation of firm OATT rights by treating such rights as generally available EIM ATC at T-40.	Powerex requests that PSE engage stakeholders to consider mechanisms to compensate PSE’s OATT customers for the confiscation of their transmission reservation rights for use in supporting EIM Transfers.	PSE will continue to respect the rights of a transmission customer to schedule sales or purchases of energy outside of the EIM and to allow the customer to alter the schedules as late as T-20. Further, PSE will continue to rely upon the transmission priority a customer may have over EIM transfers. Given these reasons, PSE disagrees that the proposed ATC approach will expire and confiscate firm OATT rights of customers at T-40. FERC agreed in its Order approving NV Energy tariff that using available transmission capacity to support EIM transfers does not confiscate the rights of OATT customers, NV Energy 151 FERC ¶ 61,131 P 116 (2015).
Generator Imbalance Service (Schedule 9)	PacifiCorp	PacifiCorp generally supports PSE’s revisions to its OATT Schedule 9. PacifiCorp appreciates that PSE has modeled the language from PacifiCorp’s OATT Schedule 9, however, notes that PacifiCorp’s Schedule 9 language has recently been revised to incorporate the ISO’s EIM year 1 enhancement tariff revisions to include settlement of real-time dispatch instructed imbalance energy (RTD IIE).	PacifiCorp suggests that PSE revise its Schedule 9 similarly to incorporate the ISO’s tariff revisions.	PSE intends to submit its tariff to FERC in accordance with the most recent FERC guidance. PSE appreciates PacifiCorp's suggestion and has proposed revisions similar to those incorporated by PacifiCorp in its recently proposed tariff amendments.

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Balancing Authority Area (BAA) Capacity & Reliability (Schedule 9)	PacifiCorp	The ISO recently filed with FERC (in Docket Nos. ER15-861 and EL15-53), its proposed tariff revisions to enhance EIM functionality to automatically recognize and account for capacity the balancing authority area has available to maintain reliable operations.	PacifiCorp is considering what additional revisions to its OATT Schedule 9, or other provision of its OATT, may be needed to integrate the ISO’s proposed solution in anticipation of a favorable FERC order. PacifiCorp encourages PSE to do the same.	PSE appreciates PacifiCorp's suggestion and has proposed revisions similar to those proposed by PacifiCorp and NV Energy in their recent tariff filings. However, PSE is aware that FERC recently rejected (without prejudice) as premature PacifiCorp’s and NV Energy’s proposed tariff revisions in this regard, as a final FERC decision in docket ER15-861-003 is still outstanding. PSE intends to submit its tariff to FERC in accordance with the most recent FERC guidance and will update its proposed tariff revisions in this regard accordingly.
Generation Forecast Data (Attachment O Section 4.2.4.5.1)	PacifiCorp	PSE’s Attachment O Section 4.2.4.5.1 provision requires transmission customers to submit initial “Transmission Customer Base Schedules including generation Forecast Data for each resource, preliminary Interchange, and Intrachange” seven days prior to each operating day (or T-7 days).	PacifiCorp supports this requirement and is evaluating whether or not a similar requirement should be added to PacifiCorp’s OATT Attachment T.	PSE intends to submit its tariff to FERC in accordance with the most recent FERC guidance and will continue to work with PacifiCorp and other market participants to identify opportunities to improve and clarify its proposed EIM OATT.
Corrective Action (Attachment O, Section 4.1.1.5 and Section 10.3)	BPA	PSE uses the term “contingency” to describe situations when it might need to take corrective actions for the EIM because of reliability or communications problems. Because contingency is a defined term with specific meaning in the reliability context, PSE should consider using another term to describe these situations or its responsive actions.	In the title and body of section 4.1.1.5, replace “contingency” with “corrective”. In the title and body of section 10.3 and subsection 10.3.1, replace “temporary contingency” and “temporary contingencies” with “EIM disruption” and “EIM disruptions”.	PSE appreciates BPA’s suggestion and has revised “contingency action” to “corrective action” in Section 4.1.1.5. However the use of the term “temporary contingency” remains in Section 10.3, as “EIM disruption” is too specific and does not encompass all potential circumstances intended to be addressed.

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Telemetered Loads (Schedule 1A)	BPA	<p>PSE proposes to create a new schedule to pass through EIM Administrative charges. Schedule 1-A applies to all Point-To-Point and Network transmission customers. However, loads and resources that are telemetered out of PSE’s BAA should be exempt from this schedule. These loads and resources are not taking imbalance service from PSE, so they shouldn’t be exposed to the EIM Administrative charges. Additionally, section 29.11(i) of the CAISO tariff—referenced in Schedule 1-A—sets the EIM Administrative charge to PSE based on “the total gross absolute value of Demand of all EIM Market Participants in the EIM Entity Balancing Authority Area.” [emphasis added]. Because telemetered resources and loads are not in the EIM Entity BAA, they are not part of the basis for the charge to PSE and should not receive a sub-allocation.</p>	<p>Schedule 1-A should be revised to apply to Transmission Customers subject to Schedules 4, 4R, 9 and 9R (similar to the way Attachment O, sections 8.4.1 and 8.4.2 are applied).</p>	<p>The EIM Administrative charge is a metric for apportioning costs amongst all EIM Entities and is not indicative of applicability of the charge to an EIM Entity’s transmission customers. Schedule 1-A is related to Attachment O, which applies to all Transmission Customers and Interconnection Customers.</p> <p>PSE’s EIM Business Practice will clarify that Pseudo-Ties are excluded from Measured Demand. Therefore loads and resources that are Pseudo-Tied out of the PSE BAA will not be sub-allocated charges based on Measured Demand, including Schedule 1-A.</p>

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EIM Pass Through Charges (Attachment O, Sections 8.4 & 8.5)	BPA	<p>PSE proposes several mechanisms to pass through charges (and some payments) it receives from the CAISO; however, these procedures do not appear to be applied consistently. Under Attachment O, sections 8.4.1 and 8.4.2 charges from the CAISO for under- or over-scheduling only apply to customers taking Schedule 4 or Schedule 4R service. But payments from the CAISO for under- or over-scheduling are distributed to all <u>Metered Demand</u> under section 8.4.3. Additionally, all of the uplift charge provisions in section 8.5 apply to all <u>Measured Demand</u>. These charges (and payments) should be applied consistently to those parties taking imbalance service from PSE through the EIM.</p>	<p>The pass-through provisions in Attachment O, sections 8.4.3 and 8.5 should be revised to apply to Transmission Customers subject to Schedules 4, 4R, 9 and 9R (similar to the way Attachment O, sections 8.4.1 and 8.4.2 are applied).</p>	<p>PSE appreciates BPA’s concern that the EIM charges and payments should be applied consistently to those parties taking imbalance service from PSE. PSE’s OATT has been drafted with the intent to pass EIM charges and payments to the Transmission Customers on the basis of cost causation. Some charges are only passed to generators, some only to loads, and some are passed on to all Transmission Customers in PSE’s BA following the cost causation principle.</p> <p>Charges from CAISO for under- or over-scheduling are only applicable to loads in an EIM Entity’s BA. Generation resources and interchange (wheel-throughs) are not charged this penalty by CAISO. Therefore, it follows appropriate cost causation principles for PSE to pass those penalties on to the loads that caused those penalties via Attachment O, Sections 8.4.1 and 8.4.2. Payments to PSE from CAISO for the allocation of under- and over-scheduling penalties are allocated only to loads in PSE’s BA that did not incur under- or over-scheduling charges during the Trading Day on the basis of Metered Demand. The definition of Metered Demand only includes loads in PSE’s BA and excludes generation resources and interchange. The only Transmission Customers that will receive an allocation of the payment from CAISO in Section 8.4.3 are the Transmission Customers that are eligible to incur the charge, but were not subject to it for that Trading Day.</p> <p>The EIM Uplift charges in Section 8.5 that are allocated based on Measured Demand are allocated in that manner because they are not charges that can be attributed to one specific customer’s action. They are uplifts that should be spread fairly to all customers transacting in PSE’s BA and using Measured Demand as the allocation methodology accomplishes this.</p>

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E3 Costs/Benefit Study	Powerex	Powerex notes that the potential loss of third-party transmission revenue was not reflected as a "cost" in the benefits study produced by E3 and submitted to the Commission in support of PSE's Implementation Agreement with the CAISO.	Powerex requests that PSE initiate a stakeholder session to further discuss the costs and benefits of PSE's decision to join the CAISO EIM.	PSE appreciates Powerex's comments focused on the proposed changes to our OATT, which is the intent of this stakeholder process.
Losses Calculation	Seattle City Light	How will customers deal with this additional risk in not knowing the price prior to transacting? How will customers have visibility on LAPs or LMPs to be able to estimate the LAP that a customer would be subject to? Is there any data that could be provided to customers about what LMPs could be (we realize historical data doesn't exist, but is there a way that customers might be able to get a sense of prices?)? How will customers have access to data to settle losses and verify LMPs? How will this data be made available- will it come from PSE or from CAISO? How will customers be able to verify MW quantities? How will the data be made available? What is the rationale for using this type of structure for calculating losses?		<p>The Load Aggregation Point (LAP) will provide a more accurate representation of PSE's marginal cost of producing energy necessary to supply losses.</p> <p>Consistent with PSE's draft Business Practice Manual, PSE intends to post on its OASIS the EIM PSEI LAP Hourly Pricing Proxy and the EIM and EIM Schedule 12 Average Pricing Proxy.</p> <p>Unfortunately no historical data is available other than that of other EIM Entities' specific LAP pricing, which would not be comparable to PSE's LAP pricing.</p> <p>PSE intends to send customers weekly preliminary settlement reports that include the customer's Base Schedules. These quantities can be verified against the customer's data that they submitted as their Base Schedule and/or the e-tagged values as appropriate.</p>

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Transmission Service Distinctions	Snohomish PUD	What are the distinctions in PSE's tariff between PTP and NT service and how they will be affected by PSE's participation in the CAISO EIM? Will each transmission service have equal access / rates?		Transmission Customers may utilize either NT or PTP service to participate in the EIM, and EIM-related settlements will be equitably assessed across both NT and PTP service.
Exit Process	Snohomish PUD	If the expected benefits are not realized by PSE through participation in the CAISO EIM, has an exit process been contemplated? Please describe.		Although PSE is focused on ensuring a smooth implementation and maximizing benefit opportunity for our customers, there is a simple exit process that will enable us to leave the market if needed.
Barriers to entry for CAISO participation	Snohomish PUD	Are there any barriers to entry for a PSE Transmission customer with a generating resource inside the PSE Balancing Authority to participate in the CAISO EIM?		A generating resource inside the PSE BAA may elect to participate in the CAISO EIM once they satisfy the requirements in PSE's OATT Attachment O Section 2 and 3, PSE EIM BP, and applicable CAISO requirements.
Differences with PAC tariff	Snohomish PUD	What differences are there between the Tariff modifications made by PSE to accommodate the EIM and the Tariff modifications made by PacifiCorp (if any)? What is the reason for these differences?		While FERC precedent, by way of the dockets regarding PacifiCorp's and NV Energy's proposed tariff amendments related to the EIM, is one of PSE's guiding principles in its tariff modifications, PSE is also looking to be responsive to stakeholder feedback and incorporate improvements or suggestions in certain areas. PSE intends to point out material distinctions between its proposed tariff modifications and those proposed by other EIM Entities in the transmittal letter for its tariff amendment, which it intends to file with FERC around Q1 2016.

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Forecast Data Exemption (Section 4.2.4.1)	Snohomish PUD	Please provide an example of the exemption in Section 4.2.4.1 of the PSE tariff for resources located in PSE’s BAA that are less than five MW. Would the generator be excluded from utilizing the EIM entirely, or only from submitting Forecast Data?		Generators smaller than 5 MW will not be included in the EIM operations and settlements.