

Flathead appreciates the opportunity to comment and also the outreach efforts undertaken by BPA in regard to BPA's involvement in the PAC/Cal-ISO Energy Imbalance Market. BPA staff has done an admirable job of explaining the effort in workshops and outreach to customers. Their focus appears to properly ensure that PacifiCorp can utilize their existing rights to participate, but also make sure there are controls to measure unexpected impacts. The efforts are complex, but we are re-assured by the principles proposed by BPA for cooperating with the effort:

Principles for EIM Implementation

- Use of the BPA transmission system will be consistent with non-discriminatory access and Open Access principles.
- Operation of the transmission system will be consistent with NERC and WECC reliability standards.
- Our own customers in neighboring Balancing Authorities receive fair and comparable service.

However, in order to assure the above, BPA should add two other guiding principles to the effort:

- BPA must have tools and data to ensure that the PAC/ISO EIM usage of the BPA Transmission system does not compromise reliability or statutory access to preference energy and capacity.
- The costs related to BPA's cooperation with the PAC/ISO EIM should not outweigh the benefits of increased Situational Awareness and Reliability for BPA's Balancing Authority area customers.

We support the more technical comments of the Public Power Council and encourage BPA to assure that there is no degradation of Network Transmission rights or service quality.

Thanks,

Russ Schneider / Regulatory Analyst / Flathead Electric Cooperative, Inc.
406-751-1828 / r.schneider@flathead.coop

