

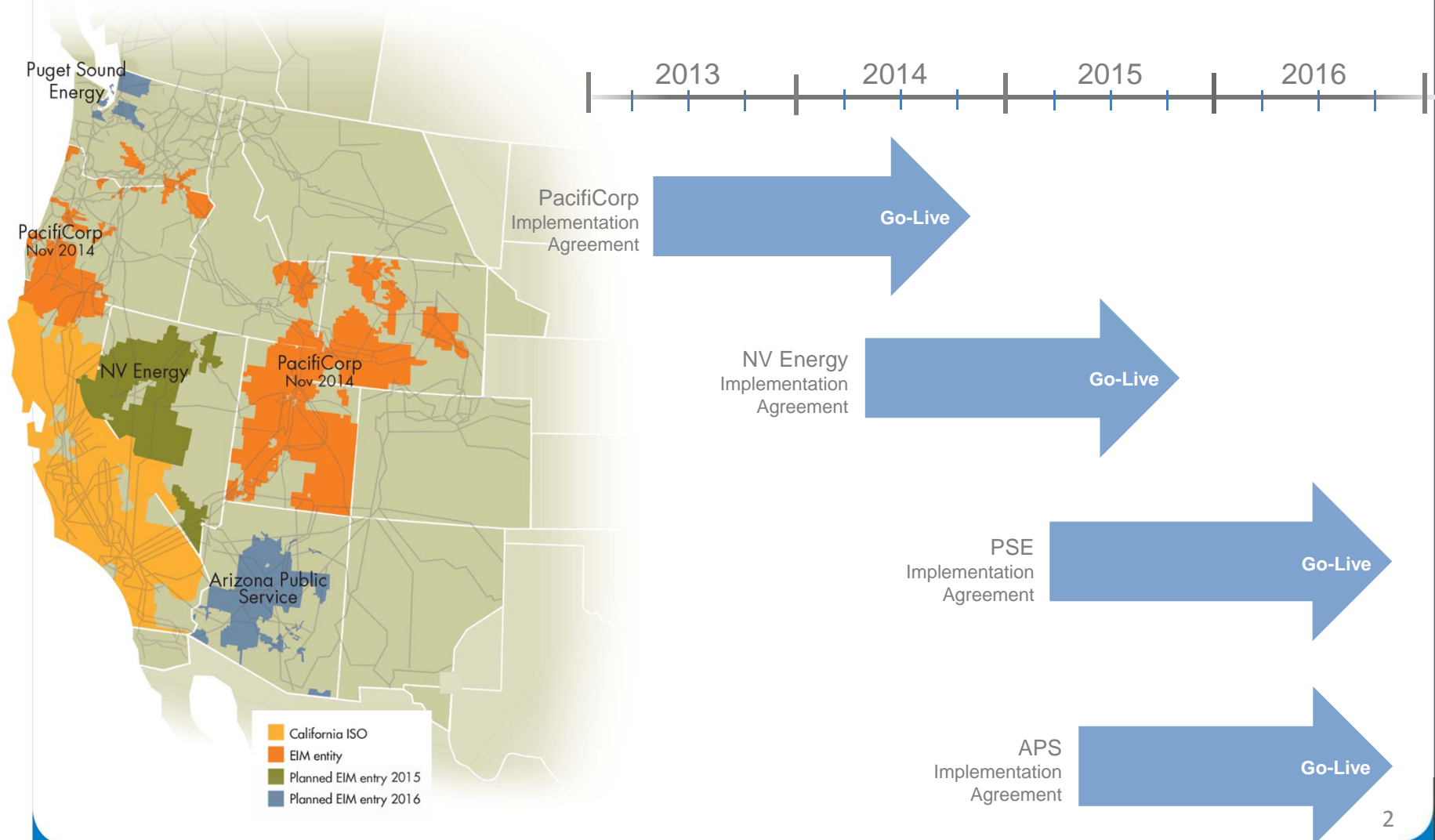
Pacific Power Energy Imbalance Market Stakeholder Workshop

July 30, 2015



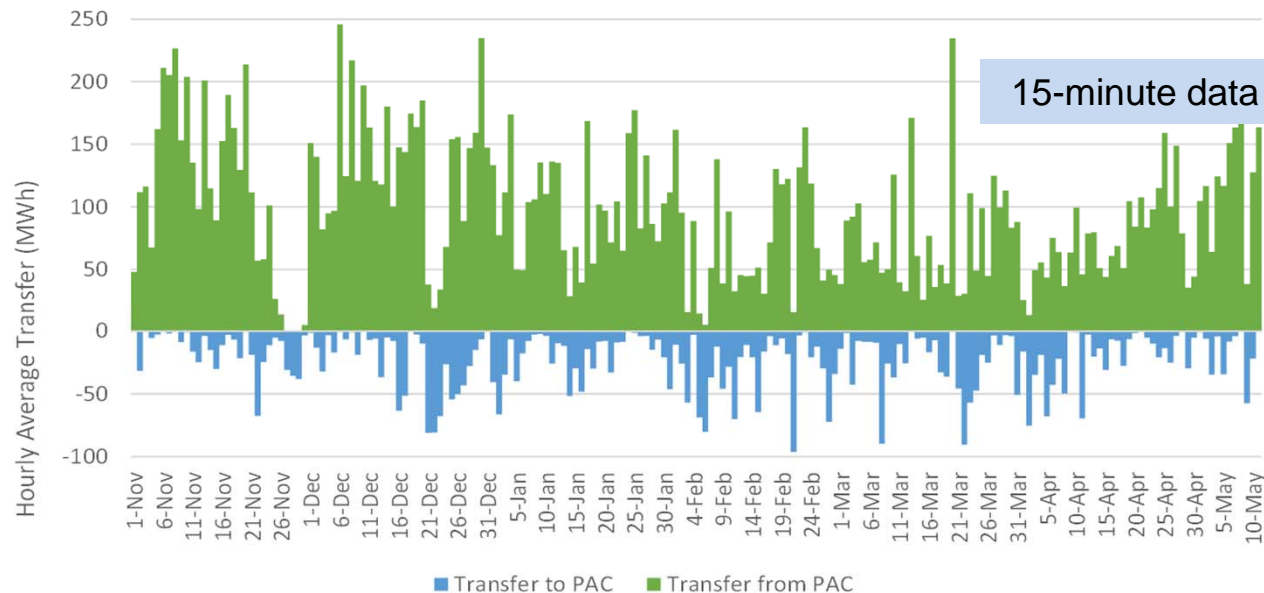
Let's turn the answers on.

EIM has expanded steadily since its launch in 2013



EIM benefits continue to accrue

BAA	Nov-Dec 2014	Jan-Mar 2015	Total
ISO	\$1.24 M	\$1.45 M	\$2.69 M
PACE	\$2.31 M	\$2.62 M	\$4.93 M
PACW	\$2.42 M	\$1.19 M	\$3.61 M
Total	\$5.97 M	\$5.26 M	\$11.23 M



(+) PacifiCorp to ISO / (-) ISO to PacifiCorp

EIM market performance update

- PacifiCorp and ISO are making continuous improvement fine-tuning coordinated EIM operations, including provision of timely and accurate data to the market models.
- During small portion of intervals, energy or flexible ramping constraints have still had to be relaxed for the market software to balance modeled supply and demand.
- With price discovery provisions currently in place, EIM prices during May in both PacifiCorp areas have been kept equal to or lower than the bilateral market price indices that were used to set prices prior to EIM implementation.
- Bidding in the EIM has been highly competitive, with bids below or above default energy bids used in market power mitigation.

EIM regulatory developments

- Ongoing EIM activities before the Federal Energy Regulatory Commission:
 - Transitional pricing
 - Bid-cap price waiver in effect until California ISO implements new automation to provide EIM models with visibility to PacifiCorp's load following reserve capacity
 - July 20, 2015, order requires California ISO to file related tariff revisions no later than August 19, 2015
 - Implementation will occur after tariff revisions are noticed and subject to comments, protests and issuance of a Commission order (estimated October 2015)
- Readiness Criteria
 - July 21, 2015 order requires California ISO to file readiness criteria in tariff revisions within 60 days of order
- The California ISO filed tariff revisions for its EIM year one Phase one enhancements initiative June 15, 2015. Phase two of the year one enhancements is ongoing.