BEFORE THE WASHINGTON

UTILITIES & TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFICORP D/B/A PACIFIC POWER & LIGHT COMPANY

Respondent.

DOCKET UE-250224

CROSS-EXAMINATION EXHIBIT OF MICHAEL G. WILDING
ON BEHALF OF THE
WASHINGTON STATE OFFICE OF THE ATTORNEY GENERAL
PUBLIC COUNSEL UNIT

EXHIBIT MGW-__X

PacifiCorp Discovery Response to PC DR 34

October 1, 2025

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Testimony of Michael G. Wilding, Exh. MGW-1CT, at 18:1–20:2.

(a) Please provide PacifiCorp's evaluations of "other day-ahead market offerings." (at 18:4–6.)

(b) Please confirm that the Brattle presentations (MGW-2 through MGW-4) do not compare the value of participation in other markets such as Markets+, versus participation in EDAM. If this understanding is not correct, please indicate where in the presentations comparisons of the value of participation in other markets exist.

(c) Please provide evidence including any calculations that PacifiCorp has done that EDAM is the best option for an inclusive market. (at 18:10).

(d) What is meant by "leverage the greatest transmission connectivity"? (at 18:11)

(e) Please provide evidence including any calculations that PacifiCorp has done that EDAM would "leverage the greatest transmission connectivity"? (at 18:11)

(f) Please provide copies of any and all analysis PacifiCorp has performed of Markets+.

(g) Please provide evidence for the statement that "[t]his was a method to track NPC once state generation portfolios become static or fixed." (at 19:6–8).

(h) Please explain what is meant by a "static or fixed portfolio."

(i) Please explain how "EDAM settlements will replace the need for the NPM." (at 19:7–8).

(j) Please provide details on how EDAM settlements will be used to track NPC. (at 19:6–8).

(k) The Bonneville Power Authority (BPA) has concluded that Markets+ is superior to EDAM (https://www.bpa.gov/-/media/Aep/projects/day-ahead-market/2025/20250306-day-ahead-market-draft-policy.pdf See also BPA Issue Alerts at https://www.bpa.gov/learn-and-participate/projects/day-ahead-market six of which were in 2024). Please provide any and all analysis and review that the Company has performed of BPA's analysis.

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(l) Please describe PacifiCorp's participation in the discussions concerning the formation of Markets+, if any. If there was any participation, please provide evidence for PacifiCorp's participation.

(m) For each year from 2021 through 2025, inclusive, how much did PacifiCorp spend on EDAM? Please break this down by reimbursements to CAISO for its costs occurred during the implementation process, other payments to CAISO, payments to vendors by vendor, travel costs, and the time of PacifiCorp personnel.

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(a) Please refer to the Brattle Group's comparative assessment[1] performed for PacifiCorp that evaluated EDAM and Markets+ design features. For additional information, please refer to the analysis conducted by Portland General Electric (PGE)[2].

(b) Please refer to the Company's response to subpart (a) above.

(c) As referenced in the direct testimony of Company witness Michael G. Wilding, EDAM is identified to be the best option for an inclusive market on the basis that Markets+ inherently will not include California entities as seen in the Western Markets Exploratory Group's (WMEG) Cost Benefit Study produced by Energy Environmental Economics (E3)[3].

(d) EDAM leverages the greatest transmission connectivity due to the position of the transmission system which routes power through California, allowing for more energy deliveries from the Desert Southwest to the Pacific Northwest.

(e) Please see the transmission topology map published by the CAISO for WEIM. The exclusion of California significantly limits inter-regional connectivity. Transmission connectivity between geographically diverse areas will drive market benefits. As seen in the map below the inter-regional connectivity flows through California, PacifiCorp East, LADWP, NV Energy, and Idaho Power, all of which have committed or publicly stated an intention to join EDAM.

[1] https://www.brattle.com/insights-events/publications/brattle-experts-assess-the-proposed-day-ahead-markets-in-the-wecc-in-a-new-white-paper/

[2] https://www.oasis.oati.com/woa/docs/PGE/PGEdocs/PGE_EDAM_and_Marketsplus_comparative_study_2024.pdf

[3] https://www.bpa.gov/-/media/Aep/projects/day-ahead-market/e3-wmeg-benefits-study.pdf

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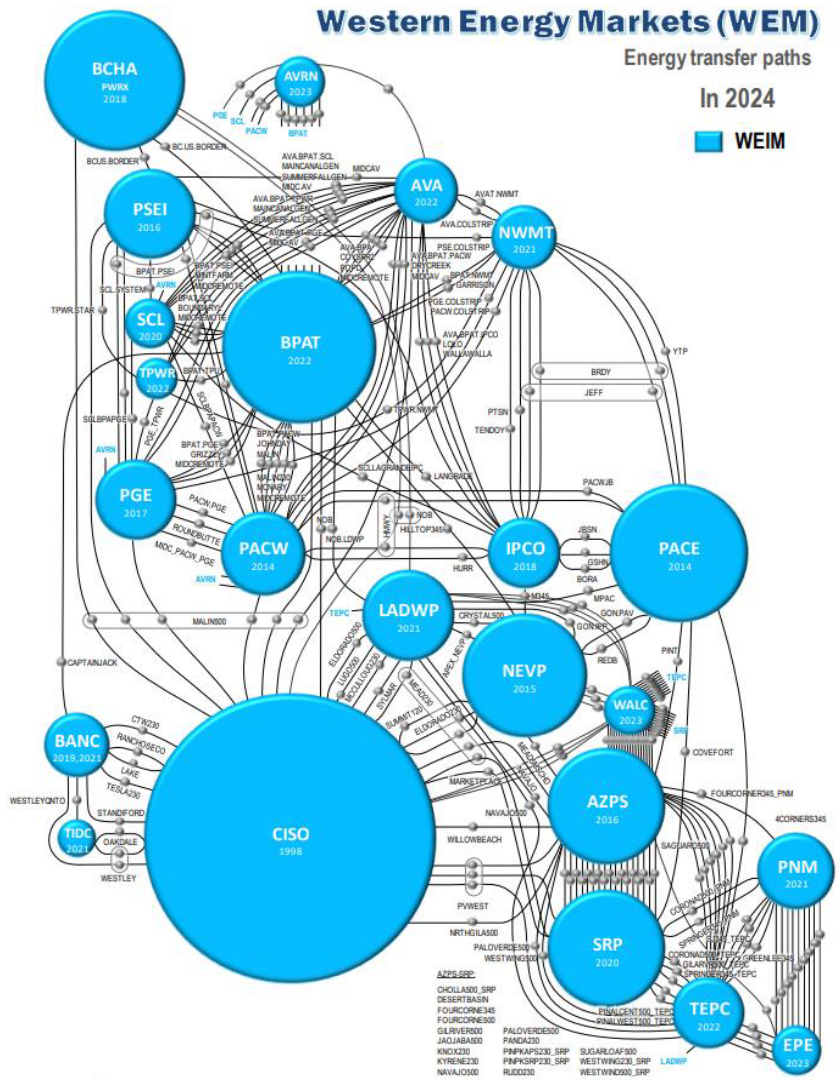

(f) Please refer to the Company's response to subpart (a) above.

(g) Evidence for the fact that the Company introduced the concept of the Nodal Pricing Model (NPM) *as a method to track Net Power Costs (NPC) once state generation portfolios become static or fixed* is both the referenced testimony itself and section 6.2 of the 2020 PacifiCorp Inter-Jurisdictional Allocation Protocol.

(h) A static or fixed portfolio refers to the generation portfolio included in a state's retail rates where the allocation factor is fixed and does not move dynamically with state loads. In the context of generation assets—which is the context of the referenced quotation—a fixed portfolio is one where the state allocation (percentage) of a resource's generation is set and designated at a fixed percentage and allocated to that state as compared to the current dynamic allocation method of the 2020 protocol whereby allocation percentages change with load ratios.

(i) The Nodal Pricing Model provided advisory settlements with locational marginal pricing for PacifiCorp's load and resources. EDAM will now provide the same information through the financially binding market settlements, rendering Nodal Pricing Model unnecessary.

(j) Please see the testimony of Mr. Wilding in the UM-1050[4].

(k) PacifiCorp disagrees with the conclusion that Markets+ is superior to EDAM. PacifiCorp believes market decisions should be made with the customer's best interest in mind. Every study, including those conducted by BPA, has concluded that EDAM will provide greater economic benefits for customers, greater reliability, and reduced emissions. PacifiCorp did find that there were inconsistencies in the evaluation and comparison of the EDAM design when measured against the Markets+ design. This was also communicated by PacifiCorp and stakeholders, such as Seatle City Light[5], through the BPA day-ahead market stakeholder comment process[6]. In addition, market-to-market seams will introduce operational complexities such as managing energy flows and efficient use of transmission as discussed by BPA during their day-ahead market decision stakeholder presentation[7] in addition to analysis conducted by the Western Power Trading Forum and Public Generating Pool[8].

(l) PacifiCorp attended both virtual and in person stakeholder meetings during the inception of the Markets+ day-ahead design process. PacifiCorp was also a member of the Western Markets Exploratory Group[9] (WMEG) which was formed to evaluate regional markets, inclusive of the Markets+ and EDAM designs.

(m) PacifiCorp objects to this request as overly broad, unduly burdensome, outside the scope of the proceeding, and not reasonably calculated to lead to the discovery of admissible evidence. Without waiving any objection, the Company responds as follows:

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[4] https://apps.puc.state.or.us/edockets/DocketNoLayout.asp?DocketID=9802

[5] https://www.bpa.gov/learn-and-participate/projects/day-ahead-market

[6] See comment tracker updated July 26, 2024, https://www.bpa.gov/learn-and-participate/projects/day-ahead-market

[7] https://www.bpa.gov/-/media/Aep/projects/day-ahead-market/2025/dam-workshop-10-presentation-20250129.pdf

[8] https://www.wptf.org/files/Western_Day-Ahead_Seams_Exploration_FINAL_240116(2).pdf

[9] https://www.pacificorp.com/about/newsroom/news-releases/power-providers-explore-western-market-options.html

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PacifiCorp announced to join EDAM in December 2022. Until that date and up until May 2023, all EDAM related work both on the market policy and implementation planning was performed by regular full-time staff.

Please see "Attachment PC Informal 34m" for a detailed summary of all EDAM Onboarding costs paid by PacifiCorp to the CAISO.

Additional cost breakdowns will be provided in a supplemental response.

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SPONSOR: Michael G. Wilding