

# **Idaho Power Company WEM Governing Body Presentation**

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# GRM Issues Important for Idaho Power

CAISO's natural gas market experience is primarily based on their own BA, using PG&E and SoCal Citygate's systems

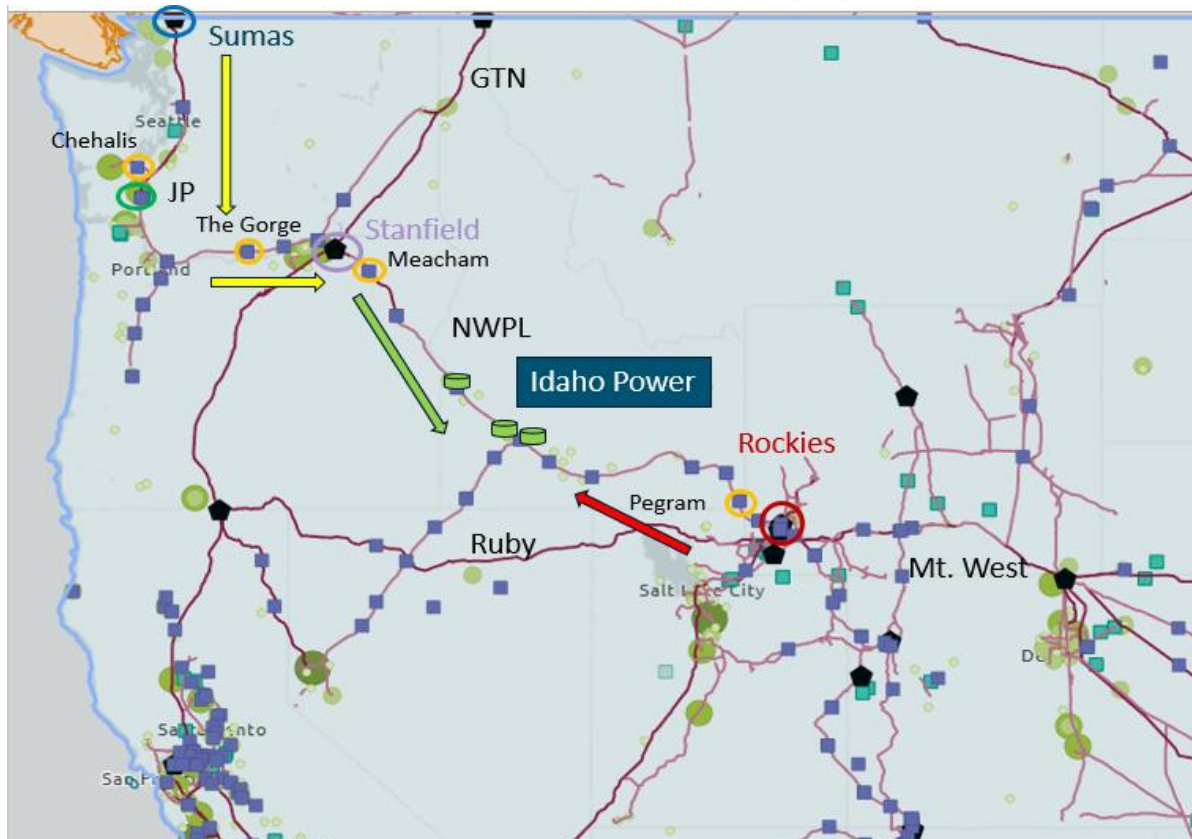
- Single fuel zone DEB calculation
- Resource Scheduling Coordinators outside of California face different gas supply dynamics

Ability to represent and recover Idaho Power's gas costs given our geographically diverse gas landscape

- Bidirectional pipelines, Constraints, Entitlements and Operational Flow Orders
- Purchase and sales made everyday from multiple gas hubs
- Multiple pipeline interconnects to different geographic territories
- Storage dynamics



# Northwest Gas Dynamics



- Trading hubs

- Sumas
- Stanfield
- Rockies

- Constraints

- Chehalis
- The Gorge
- Meacham
- Pegram

- Storage

- Jackson Prairie, Washington
- Spire Storage, Wyoming

- - Storage facility
- ◆ - Trading Hub
- - Compressor Station

Source: S&P Global Energy, ©2025 by S&P Global Inc.



# Importance of Default Energy Bid

IPC exposed to 3 physical gas markets

- Sumas, Stanfield, Rockies

Risk of mitigation when price spreads change

- How do we mitigate risk with 1 fuel zone?

IPC started working CAISO to solve this problem

- Default Energy Bid includes higher of 2 market hubs
- Does not apply to commitment costs



# Conclusion

## Improvements in After-The-Fact Cost Recovery

- Allows for cost recovery from 3<sup>rd</sup> fuel zone
- Enhance SIBR to submit automated cost adjustments
- Important for EIM, very important for EDAM

## Enhance Reference Level Change Request

- Streamlined submission

## Gas Price Index Adjustment

- Considers commitment costs

