

Contact Information: Bonneville Power Administration

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Scope of Issues the GBME Should Address

Q1

What should the GBME's primary focus be?

The EIM Governing Body's (Governing Body) unique authority and perspective as a body with delegated authority from the CAISO Board of Governors requires it build and retain the confidence of EIM participants that its decision-making is fully informed and independent. The Governing Body may need expertise in investigating certain market activities with respect to design of the market, and evaluating alternatives regarding how best to remedy specific design element(s). To that end, the GBME's primary focus should be to serve as an independent technical resource to ensure any issue they are tasked with by the Governing Body is vetted from multiple perspectives and demonstrates objective thought.

Q2

What criteria, if any, should the Governing Body apply in deciding whether to request a GBME opinion on a particular matter?

The criteria may vary based on the expertise of the sitting Governing Body at any particular time, and BPA does not believe that strict criteria is necessary in determining when a GBME opinion is needed—however the GBME should have market experience both with the CAISO and other regulated markets' design and operations. Assessing their own collective knowledge and expertise on an issue, the Governing Body would be best positioned to determine if and when additional technical resources are warranted for further investigation and evaluation.

If a matter is especially contentious, the Governing Body may be well-served to seek a GBME opinion to ensure the matter has received objective analysis to further confidence amongst EIM participants. In addition, providing increased expertise early on—resulting in more informed policy development and market design—should help smooth the decision-making process, whereas late-breaking analysis could be disruptive.

The Governing Body would be well served to develop consistent procedures for approval of matters for the GBME, the amount of time expected for response, and incorporation of the GBME's reporting in final decisions.

Q3

How do you envision the GBME supporting the Governing Body in its decision-making process?

The GBME would support the Governing Body by providing analysis and opinions when requested. Such analysis should be presented to the Governing Body for discussion, and well-documented as reference for current and future decision-making. The GBME would also be available to the Governing Body to present their findings, as needed, to the Board and stakeholders.

Key Qualifications and Criteria for Selecting the GBME

Q4

What additional credentials or criteria, if any, should the Governing Body consider in selecting an individual who can successfully fulfill this role?

Most importantly, the GBME must have deep familiarity with all market designs and market operations—the CAISO and other regulated markets, including governance roles and responsibilities.

From a technical perspective, strong demonstrated analytical skills with statistical and quantitative background and the ability to present information clearly will be key to being successful in this role.

Interaction with Stakeholders and the Stakeholder Process

Q5

Do you have any thoughts on how the EIM GBME could most effectively engage with stakeholders?

Engaging with stakeholders should not be a primary role of the GBME—they are in service to the Governing Body. However, should the Governing Body request the GBME present their findings and analysis to stakeholders, the GBME should be positioned to do so. The Governing Body should bear responsibility for any response to comments on GBME reports. GBME reports are advisory and should not be conducted as drafts for public comment prior to submittal to the Governing Body.