

EIM Governance Review Committee Straw Proposal and Draft Charter

Chelan County Public Utility District's Comments

April 29, 2019

Chelan PUD submits these brief comments addressing the proposed nominating process outlined in CAISO's EIM Governance Review Committee Straw Proposal and draft Charter, published on April 1, 2019.¹ Chelan also supports the Public Generating Pool's and Public Power Council's more extensive comments.

Chelan PUD's position remains that the ideal governance structure for any regional market involves broad representation of entities impacted by the market coupled with independence in decision making. As the Western EIM footprint grows to include ten states, the group of impacted entities also grows. If CAISO's day ahead market is extended to the EIM footprint, those impacts will compound. The need for adequate and equitable representation for all impacted EIM stakeholders has never been more critical.

Chelan PUD is impacted by the Western EIM on a number of fronts—as a neighboring balancing authority to an existing EIM Entity, as a neighboring balancing authority to an entity actively evaluating becoming an EIM Entity, as a transmission customer of an entity actively evaluating becoming an EIM Entity, as an owner of a hydro resource that is contracted to a third party who is using it as a participating resource in the EIM, as a potential future EIM/EDAM Entity itself, and as an active participant in a bilateral market that will almost certainly be impacted if EDAM moves forward. In short, Chelan considers itself an EIM stakeholder. However, under CAISO's proposal, Chelan is excluded from directly participating in the EIM Governance Review Committee member nomination and ranking process because it does not qualify under any of the stakeholder sectors as currently defined.

Chelan PUD urges CAISO to revise the Governance Review Committee nomination process to provide the opportunity for Chelan to participate in a stakeholder sector. Chelan supports CAISO's goal of developing a committee that is “geographically diverse and collectively reflect[s] a broad range of stakeholder and industry sectors that are involved in the EIM” and looks forward to working with CAISO, the EIM Governing Body and other stakeholders throughout the governance review.

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¹ Chelan PUD, a consumer-owned utility in Washington, is an active participant in the bilateral, wholesale power markets in the West and a NERC-registered balancing authority. Chelan operates three FERC-licensed hydropower projects generating approximately 10 million megawatt hours of clean, renewable, low-cost electricity annually. Chelan is not an EIM participant but follows EIM development closely as part of its ongoing review of potential market opportunities and regional activities that have the potential to impact how Chelan operates its resources and balancing authority.