Overview of PG&E Comments on EIM/EDAM Governance

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Summary of PG&E Comments

- EIM Governance and decisional rules are working fine to handle the small volume of initiatives impacting today's real-time only market.
- With EDAM, much more significant dollars and issues will be in play. New governance rules are necessary and appropriate.
- EDAM governance must be equitable towards all voluntary market stakeholders, while respecting the existing CAISO Board decision-making authority in areas of its exclusive FERC jurisdiction.
- Therefore, PG&E supports:
 - Bright line test for decisional classification
 - Joint approval process for market design
 - Expanded membership in Governing Body
- Other issues, such as a Stakeholder Advisory Committee, the policy roadmap process, and the relationship of the DMM and MSC could be postponed to a later stage of the GRC discussion or even after approval of a final EDAM design.



PG&E's EDAM Governance Proposal

Bright Line Test

- Determine classification for each initiative based on a mapping to the tariff section(s) it seeks to change
- EIM GB primary authority for real-time only impacts
- CAISO Board of Governors exclusive authority for Transmission Planning, Interconnection, and other BA-only tariff sections (e.g. rules related to California RA showings)

Joint Approval Process

- ➤ All other market design issues across day-ahead energy, ancillary services, and real-time subject to majority vote of the combined CAISO Board and EIM Governing Body.
- Delegation of authority to the joint body with decisions placed on consent agenda for CAISO Board vote.

Expand EIM Governing Body Membership

- 9 members would allow greater diversity of representation
- Joint meetings of 5+9 members would give approximate load weighting to "California" Board in multi-state governance