

GENERAL SESSION MINUTES EIM GOVERNING BODY MEETING April 19, 2021 Teleconference

April 19, 2021

The Energy Imbalance Market Governing Body convened the general session teleconference meeting at approximately 3:00 p.m. and the presence of a quorum was established.

ATTENDANCE

The following members of the EIM Governing Body were in attendance:

John Prescott, Chair
Anita Decker, Vice Chair
Valerie Fong
Robert Kondziolka
Carl Linvill

GENERAL SESSION

The following agenda items were discussed in general session:

PUBLIC COMMENT

There was no public comment offered at this time.

DECISION ON SUMMER 2021 READINESS INITIATIVE

Roger Collanton, Vice President, General Counsel, acknowledged receipt of the following public comment letters and noted they had been provided to the EIM Governing Body: Southwest Load Serving Entities, Bonneville Power Administration and Powerex.

Mark Rothleder, Senior Vice President and Chief Operating Officer, provided opening remarks, noted appreciation to everyone involved in the process for this initiative and stated Management was committed to developing a more durable solution beyond the summer of 2021.

Next, Greg Cook, Executive Director, Market and Infrastructure Policy, presented Management's proposal regarding market enhancements for summer 2021 readiness related to the export, load, and wheeling priorities. He noted

Management's proposal falls under the EIM Governing Body's advisory authority. Mr. Cook next summarized three sets of changes to the market scheduling priorities for exports and wheel-through self-schedules, relative to ISO load: 1) change how exports cleared in the day-ahead residual unit commitment process are prioritized relative to ISO load in the real-time market, 2) enhance requirements for designating non-resource adequacy capacity backing high priority export schedules, and 3) change market prioritization of wheel-through self-schedules so that high priority have the same priority as serving load with self-scheduled supply. He added that the proposed enhancements were designed to fairly balance the need to reliably serve the ISO load and to provide open access service to the ISO transmission system with limited changes that could be implemented by summer 2021. Next, Mr. Cook provided an overview of a table listing remaining stakeholder concerns along with Management's response to the concerns. He concluded his presentation by summarizing the benefits of Management's proposal. Discussion followed and Management provided responsive comments.

Department of Market Monitoring comment

Eric Hildebrandt, Executive Director – Market Monitoring, provided an overview of the comments submitted by the Department of Market Monitoring as part of the stakeholder initiative. Brief discussion followed and Mr. Hildebrandt responded to various inquiries from the EIM Governing Body.

Market Surveillance Committee comment

Dr. James Bushnell, member of the Market Surveillance Committee, provided highlights of the April 16, 2021, MSC Opinion titled "*Opinion on Market Enhancements for Summer 2021 Readiness: Export, Load and Wheeling Priorities.*" Mr. Bushnell focused his comments on the wheeling priority issue and noted the fundamental issue involved having more claims for quasi-firm access in the transmission system than there was transmission capacity. Brief discussion followed and Mr. Bushnell responded to various inquiries from the EIM Governing Body.

Public Comment

The following people provided public comment on Management's proposal:

Bobby Olsen representing Salt River Project
Partha Malvadkar representing Pacific Gas and Electric
Bonnie Blair representing Six Cities
Eric Little representing CalCCA
Laura Trolese representing Bonneville Power Administration
Mark Holman representing Powerex

Next, Chair Prescott provided comments pertaining to the initiative as well as comments received from stakeholders, the Department of Market Monitoring and the Market Surveillance Committee. Chair Prescott then suggested the EIM Governing Body advise the Board of Governors to seek a regional solution through a broad regional stakeholder process and to utilize FERC. Interactive discussion followed, amongst the EIM Governing Body members, which led to drafting an amended Motion. Discussion ensued regarding the process and timing with FERC and members of the Management team provided responsive comments.

Motion

Chair Prescott:

Moved, that the EIM Governing Body does not opine on the substance of Management’s proposal related to the export, load, and wheeling priorities set forth in the summer 2021 readiness proposal. The EIM Governing Body, however, advises the Board of Governors to take the necessary steps to start a regional stakeholder process and engage the FERC as necessary to proactively create a durable long-term regional solution to this issue.

The EIM Governing Body further moves to provide this advice verbally to the Board of Governors along with a verbal explanation of its advice.

The motion was seconded by member Fong and approved 4-1, with Vice Chair Decker opposing.

Next, Vice Chair Decker explained the reasoning for her “no” vote on Management’s proposal, and noted that the motion did not reflect the diverse concerns expressed by stakeholders located within and outside of California.

FUTURE AGENDA ITEMS

There were no items to discuss.

ADJOURNED

There being no additional general session matters to discuss, the general session was adjourned at approximately 5:15 p.m.