

## **GENERAL SESSION MINUTES EIM GOVERNING BODY MEETING September 16, 2020 Teleconference**

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### **September 16, 2020**

The Energy Imbalance Market Governing Body convened the general session teleconference meeting at approximately 10:00 a.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.

The EIM Governing Body provided comments in appreciation to Steve Berberich for his leadership and dedication to the ISO over the last fifteen years.

### **Member Decker:**

***RESOLUTION OF APPRECIATION FOR STEVE BERBERICH President and  
CEO of the California ISO***

***WHEREAS, Steve Berberich, provided exemplary leadership, vision and  
direction under which the Western Energy Imbalance Market was created and  
expanded and which will include entities serving 82% of the load in the  
West; and***

***WHEREAS, Mr. Berberich steadfastly supported the mission of the Western Energy Imbalance Market which has brought value to electricity consumers in the west and provided environmental benefits to the region; and***

***WHEREAS, Mr. Berberich provided guidance and support to the Western Energy Imbalance Market Governing Body; and***

***WHEREAS, Mr. Berberich shared his interest in things tangentially related to the Western Energy Imbalance Market including good scotch, amateur radio operations and airplane piloting with humor and grace.***

***NOW THEREFORE BE IT RESOLVED that the Western Energy Imbalance Market Governing Body greatly appreciates, highly commends and thanks Steve Berberich for his leadership, counsel, vision, and innovative contributions to the Western Energy Imbalance Market, and wishes him well in his future endeavors.***

The motion was seconded by Member Fong and approved 5-0.

## **DECISION ON GENERAL SESSION MINUTES**

Member Kondziolka moved for approval of the EIM Governing Body general session minutes for the June 30, 2020 meeting. The motion was seconded by Member Fong and approved 5-0.

## **GOVERNANCE REVIEW COMMITTEE UPDATE**

Therese Hampton, Executive Director – Public Generating Pool, and Chair – EIM Governance Review Committee, provided an update on behalf of the GRC. Ms. Hampton summarized the GRC’s recent activities and noted the draft straw proposal was posted for comments July 31, 2020. Ms. Hampton provided an overview of the general session meeting that occurred on September 15 that addressed stakeholder comments. She noted the stakeholder comments fell into six broad issue categories and were generally supportive. She stated the revised proposal was on track for posting in Q4 2020. Brief discussion followed.

## **BODY OF STATE REGULATORS UPDATE**

Letha Tawney, Commissioner – Oregon Public Utilities Commission, and Chair – Body of State Regulators, provided an update on behalf of the BOSR. Commissioner Tawney provided highlights of the monthly update call that occurred on August 14, 2020 and the general session meeting that occurred on September 11, 2020. She noted the BOSR was reviewing the EIM Governance Review Committee’s proposal, in particular the BOSR funding provisions. She stated the Fall BOSR meeting was scheduled for October 16, 2020.

## **REGIONAL ISSUES FORUM UPDATE**

Pam Spborg, Senior Analyst, Transmission and Reliability Services – Portland General Electric, and Chair – Regional Issues Forum, provided an update on behalf of the RIF. Ms. Spborg stated there was a RIF meeting on September 22 to host a CEO Roundtable discussion between Steve Berberich, retiring CEO, and Elliot Mainzer, successor CEO with John Prescott moderating. Ms. Spborg noted the next virtual meeting was on track for early December.

## **BRIEFING ON FLEXIBLE RAMPING PRODUCT REFINEMENTS PROPOSAL AND DECISION ON ADVISORY ROLE**

Don Tretheway, Principal – Market Design Policy, provided the EIM Governing Body an overview of Management’s flexible ramping product refinements proposal. Mr. Tretheway described how flexible ramping products position resources to meet a range of future net loads. He reviewed two slides that depicted the impact of flexible ramping up and flexible ramping down and described how the flexible ramping product is procured using a demand curve. He provided an overview of an additional tariff clarification for proxy demand response resources that was in the proposal. Mr. Tretheway stated stakeholders were generally supportive of the proposal. He concluded by reviewing the benefits of the proposal. Brief discussion followed.

### Market Surveillance Committee comment

Scott Harvey, member of the Market Surveillance Committee, provided highlights of the September 9, 2020 MSC Opinion on the flexible ramping product refinements proposal.

### 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.

### Public comment

There was no public comment on this item.

Discussion followed and Mr. Rothleder provided to various inquiries from the EIM Governing Body members.

## **Motion**

### **Member Fong:**

***Moved, that the EIM Governing Body will provide verbal advisory input to the ISO Board of Governors, as discussed at its September 16, 2020 general session meeting, supporting Management's Flexible Ramping Product Enhancements Proposal.***

The motion was seconded by Member Kondziolka and approved 5-0.

## **BRIEFING ON FERC ORDER 831 – IMPORT BIDDING AND MARKET PARAMETERS PROPOSAL AND DECISION ON ADVISORY ROLE**

Greg Cook, Executive Director – Market and Infrastructure Policy, provided the EIM Governing Body an overview of Management's FERC Order No. 831 – import bidding and market parameters proposal. Mr. Cook stated FERC Order No. 831 required ISO/RTOs to make a compliance filing to raise energy offer caps to \$2,000/MWh. Mr. Cook described how this initiative addressed the following two topics related to the ISO's compliance with FERC Order No. 831: (1) adjusting market constraint relaxation parameter prices to align with the increased energy bid cap, and (2) price screening methodology for import bids greater than \$1,000/MWh. He stated the proposal defines specific conditions for setting power balance relaxation parameter prices. He provided an overview of the stakeholder process and noted that while stakeholders were generally supportive of the proposal, some concerns remained. Mr. Cook concluded by reviewing the benefits of the proposal. Brief discussion followed.

### **Market Surveillance Committee comment**

Jim Bushnell, member of the Market Surveillance Committee, provided highlights of the September 9, 2020 MSC Opinion on the FERC Order No. 831 – import bidding and market parameters proposal.

### **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.

### **Public comment**

There was no public comment on this item.

Discussion followed and Mr. Rothleder and Mr. Cook provided responsive comments to inquiries from the EIM Governing Body members.

## **Motion**

**Member Fong:**

***Moved, that the EIM Governing Body will provide verbal advisory input to the ISO Board of Governors, as discussed at its September 16, 2020 general session meeting, supporting Management's FERC Order 831 - Import Bidding and Market Parameters Proposal.***

**The motion was seconded by Member Linvill and approved 5-0.**

## **RECESSED**

There being additional general session matters to discuss, the general session was recessed at approximately 11:50 a.m.

## **RECONVENED**

The Energy Imbalance Market Governing Body reconvened the general session teleconference meeting at approximately 12:20 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:

### **BRIEFING ON ENERGY STORAGE AND DISTRIBUTED ENERGY RESOURCES PHASE 4 PROPOSAL AND DECISION ON ADVISORY ROLE**

John Goodin, Senior Manager – Infrastructure & Regulatory Policy, provided the EIM Governing Body an overview of Management's energy storage and distributed energy resources phase 4 proposal. Mr. Goodin described how this initiative would provide enhancements for efficiently dispatching storage resources. He provided an overview of the following three elements before the Board for decision: (1) optional end-of-hour state-of-charge parameter for storage resources, (2) parameters to better reflect demand response

resource operational characteristics, and (3) streamline market participation agreements for non-generator resource participants.

He next discussed the demand response capacity valuation study that would inform demand response's contribution to system reliability and system resource adequacy needs. Mr. Goodin provided an overview of the stakeholder process noting stakeholders were overall supportive but some concerns remained. He concluded by reviewing the benefits of the proposal. Brief discussion followed.

### Market Surveillance Committee comment

Ben Hobbs, Chair of the Market Surveillance Committee, provided highlights of the September 9, 2020 MSC Opinion on the energy storage and distributed energy resources phase 4 proposal.

### 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.

### Public comment

There was no public comment..

### Motion

#### **Member Fong:**

***Moved, that the EIM Governing Body will provide verbal advisory input to the ISO Board of Governors, as discussed at its September 16, 2020 general session meeting, supporting Management's Energy Storage and Distributed Energy Resources Phase 4 Proposal.***

**The motion was seconded by Member Decker and approved 5-0.**

### **BRIEFING ON WESTERN ENERGY IMBALANCE MARKET BENEFITS**

Mark Rothleder, Vice President – Market Policy and Performance, provided the EIM Governing Body a briefing on Western EIM market benefits stating that gross benefits since November 2014 totaled \$998.69 million. He reviewed a graph that depicted the flexible ramping procurement diversity savings in 2<sup>nd</sup> quarter 2020. Mr. Rothleder also provided an overview of graphs depicting the weekly average prices in EIM areas. He discussed the estimated wheel through transfers in 2<sup>nd</sup> quarter 2020 and described how the energy imbalance market helped to avoid curtailment. He concluded his presentation by reviewing

several graphs that depicted robust energy transfers in 2<sup>nd</sup> quarter 2020. Brief discussion followed.

## Public comment

The following members of the public provided comments on Management's proposal:

Jim Shetler, on behalf of Balancing Authority of Northern California

Brief discussion followed and Management provided responsive comments.

## **BRIEFING ON WESTERN ENERGY IMBALANCE MARKET IMPLEMENTATIONS**

Petar Ristanovic, Vice President – Technology, provided the EIM Governing Body an update on Western EIM market implementations noting there would be five additional entities in Spring 2021 and more the following Spring. Mr. Ristanovic responded to various inquiries from the EIM Governing Body as related to the extended day-ahead market, resource adequacy, day-ahead market and EIM exports.

## **BRIEFING ON 2021 ISO RATES AND FEES CHANGES**

April Gordon, Director – Financial Planning and Procurement, provided an overview of Management's 2021 ISO rates and fees changes. Ms. Gordon provided an overview of the triennial cost of services study that was conducted in 2019 noting the study was a tariff requirement as part of the current rate structure.

Next, Ms. Gordon provided an overview of the impact to rates and fees in the following areas: grid management charge percentages, energy imbalance market percentages, Reliability Coordinator percentages, and the impact to supplemental fees. Ms. Gordon concluded by reviewing next steps, which included presenting the 2021 draft revenue requirement to the Board for decision at its December meeting. Brief discussion followed and Ms. Gordon provided responsive comments to inquiries from the EIM Governing Body.

## **INFORMATIONAL REPORTS**

There were no comments or questions on the following informational reports: EIM Governing Body policy calendar, EIM Governing Body budget report, and stakeholder initiative milestones. Ryan Seghesio, Vice President and Chief Financial Officer provided responsive comments to an inquiry from the EIM Governing Body on the quarterly financial report.

## **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 2:00 p.m.