

GENERAL SESSION MINUTES WESTERN EIM GOVERNING BODY MEETING February 8, 2022 Teleconference

February 8, 2022

The WEIM Governing Body convened the general session teleconference meeting at approximately 1:00 p.m. and the presence of a quorum was established.

ATTENDANCE

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

Anita Decker, Chair
Robert Kondziolka, Vice Chair
Valerie Fong
Jennifer Gardner
John Prescott

GENERAL SESSION

PUBLIC COMMENT

There was no public comment offered at this time.

DECISION ON GENERAL SESSION MINUTES

Member Fong moved for approval of the WEIM Governing Body general session minutes for the December 15, 2021, WEIM Governing Body meeting. The motion was seconded by Member Prescott and approved 5-0.

CEO REPORT

Elliot Mainzer, President and CEO, provided highlights of the following sections of his CEO report: wheel-throughs, WEIM resource sufficiency evaluation enhancements, benefits for the WEIM, and the extended day-ahead market.

REGIONAL ISSUES FORUM UPDATE

Pam Sporborg, Senior Analyst, Transmission and Reliability Services – Portland General Electric, and Chair – Regional Issues Forum, provided an update on behalf of the RIF. Ms. Sporborg reported the RIF held their first forum with new leadership and their new operating

guidelines, in January. During the forum, she reported there was a greenhouse gas panel, a presentation from the ISO regarding the various roles of each market run in the day-ahead market, and a presentation from Western Area Power Administration. Ms. Sporborg noted the ISO's presentation provided a solid foundation regarding how the markets fit within each other. To conclude, she expressed gratitude and informed the WEIM Governing Body this was her last update as the Chair of the RIF, and stated that Vijay Satyal of Western Resource Advocates would be taking over as the new Chair. Discussion followed and the WEIM Governing Body thanked Ms. Sporborg for her service on the RIF.

BODY OF STATE REGULATORS UPDATE

Thad LeVar, Commissioner – Chair of Utah Public Service Commission, and Chair – Body of State Regulators, provided an update on behalf of the BOSR since their last update to the WEIM Governing Body on December 15, 2021. Mr. LeVar reported on the new BOSR membership: Douglas Marker with Bonneville Power Administration and John Chatburn with Idaho Public Utilities Commission. Next, he reported that the BOSR submitted consensus comments on the resource sufficiency evaluation enhancements phase-1 initiative and noted four principals BOSR believes should guide the work of the initiative: (1) accuracy, (2) transparency, (3) incentives and consequences should be applied impartially, and (4) consequences must be sufficient to incentivize compliance. Commissioner LeVar concluded by stating the next BOSR meeting is scheduled for February 11.

EIM Benefits Update

Guillermo Bautista Alderete, Director – Market Analysis and Forecasting, provided an update on the WEIM benefits through Q4 of 2021. Mr. Bautista Alderete reported the total gross economic benefits in Q4 2021 amounted to \$204.14 million. He noted the cumulative benefits through Q4 2021 amounted to \$1.93 billion. Next, Mr. Bautista Alderete explained the gross economic benefits were driven by the participation of five additional WEIM entities, economic transfers among areas, and the displacement of highly-valued supply. To conclude, Mr. Bautista Alderete summarized the benefits of the WEIM and noted the importance of: (1) the reduction of curtailments, (2) wheel-through transfers were lower than WEIM import/export volume, (3) robust energy transfers, and (4) prices trended down during the winter. Discussion ensued and Mr. Bautista Alderete responded to various comments.

Public Comment

There was no public comment offered at this time.

WEIM IMPLEMENTATION UPDATE

Khaled Abdul-Rahman, Vice President - Power Systems and Market Technology, provided an update on the status of WEIM implementations. Mr. Abdul-Rahman reported to the WEIM Governing Body that Xcel Energy would join the Southwest Power Pool Western Energy Imbalance Service market in 2022. Next, he reported on the recent changes to the go-live

schedule and stated that Avista Utilities and Tacoma Power were scheduled to go-live on March 2, 2022, and Bonneville Power Administration was scheduled to go live on May 3, 2022. To conclude, Mr. Abdul-Rahman reported that Avangrid, El Paso Electric and Western Area Power Administration were all on track for go-live in 2023.

Public Comment

There was no public comment offered at this time.

UPDATE ON EXTENDED DAY-AHEAD MARKET INITIATIVE

Mark Rothleder, Senior Vice President and Chief Operating Officer, provided an update on the extended day-ahead market initiative. Mr. Rothleder summarized the three working groups: (1) supply commitment and resource sufficiency evaluation, (2) transmission commitment and congestion rent allocation, and (3) greenhouse gas accounting were currently in progress and would be wrapping up their work in mid-March. He explained the cadence of the working groups and highlighted the design elements progress. Next, Mr. Rothleder noted the upcoming March 17 cross working group debrief meeting. He highlighted that in April 2022, the ISO expected to release a straw proposal consolidating the findings and design elements.

To conclude, Mr. Rothleder summarized the challenges being discussed within each of the three working groups. Discussion ensued and Mr. Rothleder provided responsive comments to the WEIM Governing Body.

Public Comment

There was no public comment offered at this time.

BRIEFING ON ANNUAL POLICY INITIATIVES ROADMAP PROCESS TIMELINE

Greg Cook, Executive Director, Market and Infrastructure Policy – provided the WEIM Governing Body an overview of the annual catalog and policy initiatives roadmap process. Mr. Cook explained the annual process involved a three step process: (1) the policy initiatives catalog documents current, potential, planned and ongoing policy initiatives to develop enhancements to the ISO markets, (2) ISO develops proposed 3-year roadmap based on market and reliability drivers, and (3) ISO develops annual plan based off of the 3-year roadmap. Next, he shared a graph that depicted the process timeline. To conclude, Mr. Cook summarized dates pertaining to the release of the 2022 catalog and roadmap. Discussion followed.

WEIM GOVERNING BODY PLANNING

Anna McKenna, Vice President, Market Policy & Performance – provided a brief update on the WEIM Governing Body policy calendar. Ms. McKenna reported on the decisional items marked as joint authority for March: (1) decision on long-start unit definitions upgrade and (2) reliability demand response resources bidding enhancements (FERC Order No. 831 scope). To conclude,

Ms. McKenna noted the remaining scope of the reliability demand response resources bidding enhancements initiative would be presented to the WEIM Governing Body, as joint authority, at its May meeting. Discussion ensued amongst the WEIM Governing Body and Management provided responsive comments.

Public Comment

There was no public comment offered at this time.

INFORMATIONAL REPORTS

There were no comments or questions on the following informational reports: WEIM Governing Body policy calendar and stakeholder initiative milestones.

FUTURE AGENDA ITEMS

There were no future agenda items.

ADJOURNED

There being no additional general session matters to discuss, the general session was adjourned at approximately 2:30 p.m.