

**GENERAL SESSION MINUTES
EIM GOVERNING BODY MEETING
GENERAL SESSION
August 30, 2016
ISO Headquarters, Folsom, CA**

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The ISO Energy Imbalance Market Governing Body convened the general session meeting at approximately 1:05 p.m. and the presence of a quorum was established.

ATTENDANCE

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

Valerie Fong
Douglas Howe
Carl Linvill
John Prescott
Kristine Schmidt

The following members of the executive team were present: Steve Berberich, Roger Collanton, Mark Rothleder, Keith Casey, and Stacey Crowley.

GENERAL SESSION

The following agenda items were discussed in general session:

PUBLIC COMMENT

There were no public comments.

ELECTION OF ENERGY IMBALANCE MARKET GOVERNING BODY CHAIR

Member Prescott nominated Kristine Schmidt as Chair of the EIM Governing Body and Douglas Howe as Vice Chair of the EIM Governing Body and provided comments in support of his nominations. He further discussed the EIM Governing Body's plan for annual review of the Chair and Vice Chair positions. Brief discussion followed.

Motion**Member Fong:**

Moved, that the Energy Imbalance Market Governing Body elects Kristine Schmidt to serve as Chair of the Energy Imbalance Market Governing Body, pursuant to section 3.3 of the Charter for Energy Imbalance Market Governance.

Moved, that the Energy Imbalance Market Governing Body elects Douglas Howe to serve as Vice Chair of the Energy Imbalance Market Governing Body, whose role will include substituting for the Chair when the Chair is unable to fulfill their duties due to conflicts, absence, or unforeseen reasons, and who will be designated as the Energy Imbalance Market Governing Body representative to the Nominating Committee.

Moved, that the Energy Imbalance Market Governing Body will review the appointment of the Chair and the Vice Chair on at least an annual basis, or as circumstances require, and will determine if a reappointment is necessary for either.

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

BRIEFING FROM REGIONAL ISSUES FORUM

Tony Braun, Chair – Regional Issues Forum, provided an update on behalf of the Regional Issues Forum, noting that while the role of the Regional Issues Forum continues to develop, operating guidelines have been adopted. Mr. Braun next reported that the Regional Issues Forum has held two in-person meetings, one in Portland, Oregon and one in Boise, Idaho with more than 50 in-person attendees. He noted that members of the Regional Issues Forum are interested in the following issues: EIM intertie bidding, which is also referred to as external resource scheduling, and the California Air Resources Board's regulations on carbon attribution. Mr. Braun next requested input from members of the EIM Governing Body as to the Regional Issues Forum's next steps and coordination around meeting dates and locations. Discussion followed during which members of the EIM Governing Body provided comments, including Chair Schmidt who expressed a desire to hold some joint or concurrent meetings with the Regional Issues Forum.

BRIEFING FROM BODY OF STATE REGULATORS

Commissioner Ann Rendahl, Washington Utilities and Transportation Commission and Chair, Body of State Regulators, provided an overview of her memorandum on behalf of the Body of State Regulators. Commissioner Rendahl noted that members of the Body of State Regulators are following closely the issues of external resource participation, greenhouse gas compliance, and California Air Resources Board rules. She indicated

that the Body of State Regulators wishes to work with the EIM Governing Body rather than monitor its activities. Discussion ensued regarding the EIM Governing Body having representation at meetings of the Body of State Regulators and Commissioner Rendahl stated that such participation would be welcome.

BRIEFING ON ISO STAKEHOLDER PROCESS AND POLICY OUTLOOK

Brad Cooper, Manager – Market Design and Regulatory Policy, provided an overview of the ISO's stakeholder initiatives catalog process and stakeholder process, including some of the changes being made to the processes to incorporate the EIM Governing Body into the workflow. Mr. Cooper next provided an overview of ongoing and upcoming policy initiatives, including whether the initiatives propose changes related to the western energy imbalance market. Discussion ensued regarding consideration and prioritization of initiatives related to the energy imbalance market during the stakeholder initiatives catalog process and the California Air Resources Board's proposed changes to greenhouse gas accounting rules.

BRIEFING ON WESTERN ENERGY IMBALANCE MARKET

Janet Morris, Director – Program Management Office, provided an overview of the ISO's readiness criteria and certification and implementation processes, which ensure that each EIM entity is prepared for binding market operations. Ms. Morris reported that in June 2016, the Federal Energy Regulatory Commission issued an order accepting for informational purposes the ISO's readiness filing for NV Energy and confirming that future readiness filings will be considered informational only and will not be noticed for comment. She next provided an update regarding the readiness status of Arizona Public Service and Puget Sound Energy. Ms. Morris confirmed that both entities have met the readiness criteria, completed their certifications ahead of target completion, and will begin fully binding market operations on October 1, 2016. Ms. Morris concluded her presentation by providing a readiness update for the planned EIM entities Portland General Electric and Idaho Power. Discussion followed regarding lessons learned from the implementation process.

BRIEFING ON EXTERNAL RESOURCE PARTICIPATION IN ENERGY IMBALANCE MARKET

Mark Rothleder, Vice President – Market Quality and Renewable Integration, provided an overview of the issue of external resource participation in the western energy imbalance market. Mr. Rothleder explained that the western energy imbalance market improves reliability across the West by accurately modeling physical flows every 15- and 5-minutes. He next described intertie bidding in the ISO, noting that stakeholders must come to a common understanding on the distinction between intertie bidding in the ISO and external resource participation in the energy imbalance market. Mr. Rothleder next provided an overview of some of the issues with extending the current intertie bidding in the ISO to the energy imbalance market. He concluded his presentation by providing an overview of the key principles being developed around external resource participation in the energy imbalance market. Discussion ensued regarding the informal stakeholder comments that were requested at the August 4, 2016 Regional Issues Forum on the key principles.

Mr. Rothleder noted that the ISO and the Regional Issues Forum have not received written comments and it may be necessary to request comments more formally. Discussion followed regarding whether the key principles address the issue of a resource that is in a non-EIM balancing authority area receiving free transmission access to resources within the energy imbalance market.

ADJOURNED

There being no additional general session matters to discuss, the general session was adjourned at approximately 3:00 p.m.