

GENERAL SESSION MINUTES EIM GOVERNING BODY MEETING November 4, 2020 Teleconference

November 4, 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.

DECISION ON GENERAL SESSION MINUTES

Vice Chair Decker moved for approval of the EIM Governing Body general session minutes for the September 16, 2020 meeting. The motion was seconded by Member Kondziolka 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 provided an overview of the general session meetings that occurred on September 15 and October 28, 2020. She stated the following three working groups were established: delegation of authority, stakeholder engagement,

and other issues. She stated the revised GRC 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 informed the EIM Governing Body that the BOSR leadership elections took place and that all leaders were re-elected for another one-year term. She provided highlights of the Fall BOSR meeting in October that included the following topics: discussion with Elliot Mainzer, price formation in the western energy imbalance market, and convergence bidding in the ISO market. She stated the BOSR continued to engage in the work of the EIM Governance Review Committee. She concluded by providing highlights of the October monthly meeting and the educational opportunities that the BOSR participated in since the last report. The next meeting is scheduled for November 13, 2020.

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. She stated the RIF continued to engage in the work of the EIM Governance Review Committee. She informed the EIM Governing Body that Jennifer Gardner was stepping down as Vice Chair and noted the selection process would commence in the next few weeks. Ms. Sporborg noted the next virtual meeting was scheduled for early December. Brief discussion followed.

BRIEFING ON HYBRID RESOURCES PHASE 2 PROPOSAL AND DECISION ON ADVISORY ROLE

Greg Cook, Executive Director – Market and Infrastructure Policy, provided the EIM Governing Body an overview of Management’s hybrid resources phase 2 proposal noting it included two different models for generation with different technology types at the same location. Mr. Cook described how the proposal provided enhanced market rules for hybrid resources and additional provisions for co-located resources. He stated the proposal falls under the EIM Governing Body’s advisory role. Mr. Cook provided an overview of the various elements of the proposal and noted it was largely supported by stakeholders. Brief discussion followed.

Department of Market Monitoring comment

Ryan Kurlinski, Manager – Analysis and Mitigation, provided an overview of the comments submitted by the Department of Market Monitoring as part of the stakeholder initiative.

Public comment

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

Joe Abhulimen on behalf of the Public Advocates Office of the CPUC

Motion

Member Fong:

Moved, that the EIM Governing Body will provide verbal advisory input to the ISO Board of Governors, as discussed at its November 4, 2020 general session meeting, supporting Management's hybrid resources phase 2 proposal.

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

DECISION ON PSEUDO-TIES OF SHARED RESOURCES PROPOSAL

Greg Cook, Executive Director – Market and Infrastructure Policy, provided the EIM Governing Body an overview of Management's pseudo-ties of shared resources proposal. Mr. Cook described how new provisions were needed to accommodate EIM entities with a share of a resource that serves load in the CAISO balancing authority area. He provided an overview of the two key provisions that facilitate the pseudo-tie of shared resources to the CAISO balancing authority area. He stated the proposal falls under the EIM Governing Body's hybrid decisional role. Mr. Cook stated that stakeholders were supportive of the proposal, and concluded by reviewing the benefits of the proposal. Brief discussion followed.

Department of Market Monitoring comment

Ryan Kurlinski, Manager – Analysis and Mitigation, provided an overview of the comments submitted by the Department of Market Monitoring as part of the stakeholder initiative.

Public comment

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

Bonnie Blair, on behalf of Six Cities

Motion

Vice Chair Decker:

Moved, that the EIM Governing Body, under its Hybrid Authority, approves the pseudo-ties of shared resources proposal described in the memorandum dated October 28, 2020; including any associated Federal Energy Regulatory Commission filings, including such filings that implement the overarching

initiative policy but contain discrete revisions to incorporate Commission guidance in any initial ruling on the proposed tariff amendment.

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

BRIEFING ON VARIABLE OPERATIONS AND MAINTENANCE COST REVIEW AND DECISION ON ADVISORY ROLE

Guillermo Bautista Alderete, Director – Market Analysis and Forecasting, provided the EIM Governing Body an overview of Management’s variable operations and maintenance cost review proposal. He provided an overview of the two components of the proposal that fall under the EIM Governing Body’s advisory role. He described how the initiative proposed guiding principles that clarify the cost components. He stated stakeholders were broadly supportive of the proposal with some caveats. He concluded by reviewing the benefits of the proposal. Brief discussion followed.

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.

Motion

Member Kondziolka:

Moved, that the EIM Governing Body will provide verbal advisory input to the ISO Board of Governors, as discussed at its November 4, 2020 general session meeting, supporting Management’s variable operations and maintenance cost review proposal.

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

BRIEFING ON WESTERN ENERGY IMBALANCE MARKET AND 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 \$1.11 billion. He reviewed a graph that depicted the flexible ramping procurement diversity savings in 3rd 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 3rd 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 3rd quarter 2020. Brief discussion followed.

INFORMATIONAL REPORTS

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

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 12:00 p.m.