



August 18, 2021

Angelina Galiteva, Chair, CAISO Board of Governors
Anita Decker, Chair, Western Energy Imbalance Market Governing Body
California Independent System Operator
250 Outcropping Way
Folsom, California 9563

Re: Comments in Support of Governance Review Committee Phase 2 Recommendations

Dear Chairs Galiteva and Decker:

The undersigned (collectively the “Joint Commenters”) voice our strong support for the Phase 2 recommendations of the Governance Review Committee (“GRC”) presented to the CAISO Board of Governors and Energy Imbalance Market (“EIM”) Governing Body for approval.

The Board and Governing Body have already approved key governance reforms in the May 2021 meetings. Those Phase 1 reforms expanded the role and changed the composition of the Regional Issues Forum as a stakeholder advisory body, incorporated public power in an advisory role on the Body of State Regulators, and made the Nominating Committee more inclusive. The Part 2 Draft Final Proposal before you contains the key element of the GRC’s recommendations, namely the move to a Joint Authority model for exercise of authority by the Board and Governing Body on important EIM issues. We strongly urge the Board and Governing Body to approve this move to Joint Authority as a logical step that will increase the input of our neighbors on market decisions that directly affect their interests.

The Joint Commenters represent a diverse group of California and national stakeholders that have observed Western regional market debates for many years. We have seen the success of EIM and the working relationships that have been formed by participation in a common market. To date, the EIM has delivered \$1.42 million of gross economic benefits to its participants. We also observe that several states in the West have indicated, through legislation and regulatory direction, that an EIM is not the

end of Western market evolution. It is essential that the CAISO continues to strengthen its bonds with its neighboring systems, and Joint Authority helps move in that direction.

Regional collaboration among Western states, including California, is a foundational part of achieving state decarbonization goals. It is difficult to foresee how California meets its zero carbon goals defined in Senate Bill 100 without enhanced regional collaboration. The Joint Authority proposal is a necessary step to show our neighbors that we are serious about future regional partnerships.

In short, the GRC's Joint Authority proposal furthers California's climate policies, is a needed step toward greater regional collaboration, reflects the tremendous growth of the EIM, and points toward future endeavors. We urge the Board and Governing Body to immediately adopt the Joint Authority proposal.

Respectfully,

Dated: August 18, 2021

American Clean Power Association

/s/ Tom Darin

Tom Darin, Director of Western State Affairs

Dated: August 18, 2021

American Clean Power - California

/s/ Danielle Osborn Mills

Danielle Osborn Mills, Director

Dated: August 18, 2021

California Municipal Utilities Association

/s/ Barry Moline

Barry Moline, Executive Director

Dated: August 18, 2021

Environmental Defense Fund

/s/ Michael Colvin

Michael Colvin

Director Regulatory & Legislative Affairs, California Energy Program

Dated: August 18, 2021

Environmental Entrepreneurs (E2)

/s/ Andy Wunder

Andy Wunder, Western States Advocate

Anthony Bernhardt, PhD

Dated: August 18, 2021

Independent Energy Producers Association

/s/ Jan Smutny-Jones

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Natural Resources Defense Counsel

/s/ Ralph Cavanagh

Ralph Cavanagh, Energy Program Co-Director

Alex Jackson, Senior Attorney, Climate & Clean Energy Program

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/s/ William Boyd

William Boyd

Michael J. Klein Chair and Professor of Law, UCLA School of Law

Professor, UCLA Institute of the Environment & Sustainability

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/s/ Edward A. Parson

Edward A. Parson

Dan and Rae Emmett Professor of Environmental Law

UCLA School of Law

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/s/ Alex Wang

Alex Wang

Professor, UCLA School of Law

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/s/ Arun Majumdar

Arun Majumdar

Jay Precourt Provostial Chair Professor & Senior Fellow

Precourt Institute for Energy

Stanford University

Dated: August 18, 2021

/s/ James Sweeney

James Sweeney

Professor of Management Science and Engineering

Stanford University