

Public Power Statement on the California ISO's Draft Final Proposal for an EIM Governance Review Committee & Governance Review Committee Charter

June 17, 2019

The Publicly Owned Utilities (herein referred to as POU's or Public Power) support the California ISO's *Draft Final Proposal for Formation of an EIM Governance Review Committee* (GRC Draft Final Proposal) and the associated Draft Final GRC Charter. As with the prior GRC Straw Proposal, individual or other groups of POU's may also be submitting more detailed comments on the GRC Draft Final Proposal. We provide comment below regarding two specific matters.

The POU's' April 29 statement on the GRC Straw Proposal emphasized the importance of a GRC that reflects the diversity of Western POU's. As noted, POU's in the Western Interconnection represent a significant share of the retail energy sales and number of end-use customers, equal to about one-quarter of each. These POU's are a diverse group, representing a range of sizes and geographic locations, including municipal utilities, joint action agencies, public utility districts, state and regional associations, and customers of the Power Marketing Administrations (PMAs). The POU statement also pointed out the fundamental differences between the PMAs and public power entities, specifically that PMAs are federal agencies established, governed and operated under federal statute with specific rights and responsibilities that are very distinct from those of POU's, and are owners of significant transmission assets in the west and marketers of substantial amounts of federally generated hydropower

The POU's therefore appreciate the inclusion of publicly-owned utilities in the new "Pending New EIM Participants Sector" in the GRC Draft Final Proposal. This additional sector will allow for more avenues through which the public power entities can participate in the nominating process and provides a greater reflection of public power's diversity. The POU's however recommend that the establishment of the sectors for the purposes of GRC nomination not be seen as precedent setting for any future CAISO-established committees or bodies within which sectors may be established.

A second positive revision is that the CAISO Board and EIM Governing Body membership on the GRC will now be in a non-voting, advisory role. This change will allow for a greater voice on the GRC to be given to those nominated directly by the sectors and avoid any conflicts that the Board and Governing Body participants may have with their other roles.

Again, we support the Draft Final Proposal and appreciate your consideration of these comments and the Public Power entities look forward to future engagement in the EIM governance discussions.