

Regional Issues Forum Enhancements Project
Discussion Paper
Submit comments to EIMRIF@caiso.com

**Comments on behalf of the Cities of Anaheim, Azusa, Banning, Colton,
Pasadena, and Riverside, California**

SRC Transition Approach and Process

1. Please state your organization's support for the proposal to transition the RIF into the SRC:
 - Support
 - Support with caveats
 - Oppose
 - Oppose with caveats
 - Neutral

Six Cities' Comments: At this time, the Six Cities support with caveats the proposal to transition the RIF into the SRC as outlined in the Discussion Paper.

2. Please comment on the proposal for the RIF to transition into the SRC under the Pathways Step 2 Final Proposal.

Six Cities' Comments: In general, the Six Cities are supportive of the proposal to transition the RIF into the SRC. As outlined below, the Six Cities request that the next iteration of the proposal in the RIF Enhancements process provide more detail regarding certain aspects of the transition process.

Process and Timing for Potential Revisions to Sectors

3. Please state your organization's support for the proposal to establish and reorganize the sectors of the RIF on a transitional basis to align with the sectors of the SRC:
 - Support
 - Support with caveats
 - Oppose
 - Oppose with caveats
 - Neutral

Six Cities' Comments: At this time, the Six Cities support with caveats the RIF Enhancements proposal relating to the transition in sectors.

4. Please comment on the Paper's discussion of transitioning the current sectors of the RIF to the sectors of the SRC. What process and timing issues relating to changes in the sectors,

including for the establishment of new sectors, does your organization believe should be addressed by the RIF?

Six Cities' Comments: The Six Cities generally support the proposal to establish a process to form new and reorganized sectors of the RIF in the near term to align with the composition and structure of the sectors under the WWGPI Step 2 Final Proposal. However, the Six Cities encourage the RIF to provide more detail regarding this transition process in the next iteration of the RIF Enhancements proposal. With respect to the new sectors, what will their role(s) and responsibilities be within the RIF prior to the SRC actually being established? In a similar vein, what will the responsibilities of their sector liaisons be pending formal establishment of the SRC?

For entities that are expected to transfer from one sector to another, it will be important to ensure that this transfer occurs in a transparent and orderly way. Again, the Six Cities encourage the RIF to provide more detail regarding this transition process so that affected entities understand the process and timing for changes to their sector participation and representation.

Additionally, the Six Cities encourage the RIF to consider contingency plans in the event the necessary pre-conditions to implementation of the Step 2 Final Proposal do not occur. The revised organization of the sectors as per the Step 2 Final Proposal may still make sense, but it is likewise possible that the status quo, or even a different sector structure, should be considered.

5. Should the RIF implement sector changes on a transitional basis to accommodate the timing needs for the RO Board Nominating Committee under the Step 2 Final Proposal?

Six Cities' Comments: As noted above, the Six Cities do not oppose the proposal to begin a sector transition process consistent with the timing addressed in the Discussion Paper, pending additional detail regarding the sector transition process.

Role of the RIF and Potential Changes to align with the Stakeholder Representatives Committee

Role in Policy Initiative Identification and Prioritization (Catalog/Roadmap Processes)

6. Please comment on the role of the RIF within the CAISO's Annual Policy Initiatives Catalog and Roadmap Process. Although the role of the RIF within the current process is similar to the envisioned role for the SRC within the RO policy initiative prioritization process, are there additional functions that the RIF should be performing as a part of the Catalog and Roadmap Process?

Six Cities' Comments: At this time, the Six Cities do not have comments on this element of the Discussion Paper.

7. Should the RIF encourage the CAISO to administer a process whereby stakeholder statements of position or advisory votes (akin to the voting process contemplated for in the Step 2 Final Proposal) are solicited on the final Catalog/Roadmap documents?

Six Cities' Comments: The Six Cities generally do not oppose implementation of position statements or indicative voting on the final Policy Initiative Catalog and Roadmap documents. Please refer to the general comments on indicative voting in response to question no. 10 below.

Role in Stakeholder Initiative Phase (Stage 1 Issue Evaluation/Problem Statement and Stage 2 Policy Development)

8. Please state your organization's support for the proposal to establish the role of sector sponsors within the stakeholder initiative process:
- Support
 - Support with caveats
 - Oppose
 - Oppose with caveats
 - Neutral

Six Cities' Comments: The Six Cities support with caveats the proposal to establish sector sponsors within the stakeholder initiative process.

9. Please specify any considerations that you believe are relevant to establishing the role of the sector sponsor. Do you agree with how this role has been defined as set forth above?

Six Cities' Comments: While the role of the sector sponsor within an initiative process has the potential to provide benefits to stakeholders, it is likely that it will take time and potentially some implementation "trial and error" to enable this role to be defined in a way that is useful for stakeholders and the CAISO. As an initial matter, the Six Cities support development and documentation of a well-defined set of expectations for any stakeholder representatives that are appointed to the role of the sector sponsor, potentially as part of the RIF Operating Guidelines. It should be clear that this role is not one of gatekeeping, nor should the role of sector sponsor be viewed as an opportunity for individual stakeholders to advance their company's positions and views ahead of other market participants. Instead, as outlined in the Discussion Paper, the sector sponsor role should involve facilitating the involvement of stakeholders in the initiative process and helping to create compromise among different stakeholder perspectives. For this reason, and because serving as a sector sponsor may be time consuming for individual participants, the Six Cities encourage consideration of more than one sector sponsor for initiatives that are especially broad or involve multiple sub-areas and topics. In initiatives with two or more sector sponsors, the appointed sponsors should represent different viewpoints that could be relevant to consideration of issues in the initiative.

Because the role of sector sponsors within CAISO initiatives would be new, it would be appropriate to document an initial set of expectations and functions of the sector sponsor, with the understanding that the role will be first piloted on a trial basis for select stakeholder proceedings, to enable the RIF, the CAISO, and stakeholders to gain experience with the involvement of sector sponsors. It is likely that appointed sector sponsors will be able to offer feedback on the sponsor function after the benefit of experience serving in that role, and stakeholders will likewise be able to provide feedback on the pilot process that will inform the evolution of the sponsor role. It will also be important to coordinate closely with the CAISO regarding the implementation of sector sponsors.

Finally, in addition to documenting expectations for individuals serving in the sector sponsor role, the Six Cities encourage the RIF to consider documenting criteria that will inform the selection of sector sponsors and the appointment of individuals to the sector sponsor role by the RIF.

10. Would your organization support the start of indicative voting during CAISO stakeholder processes? At what points during the process should votes be cast, *i.e.*, problem statement development, straw proposal, final proposal, etc.?

Six Cities' Comments: The Six Cities generally do not oppose implementation of position statements or indicative voting within the CAISO stakeholder comment process. However, it is important that stakeholders have the ability to take a position of “support” or “oppose” while also providing comments on and an explanation of the reasons for their position on issues within an initiative. For example, especially during the stages of an initiative process prior to the Final Proposal, it is critical for stakeholders to explain their positions and what changes would be necessary in order for the stakeholder to be able to fully support an initiative outcome. This can only be realistically accomplished through the comments process, and “voting” or position statements should not supplant the opportunity and responsibility to provide narrative comments on issues.

Similarly, the Six Cities strongly prefer an approach whereby stakeholders may specify support or opposition “with caveats” or conditions. While the Six Cities appreciate the appeal of a simple statement in support or opposition, given the complexities of many policy issues taken up in the initiative process, providing a statement of support or opposition may not be possible without the context that comments can provide. For example, a stakeholder may support the overall direction of a policy initiative, but oppose the proposal regarding implementation. A stakeholder may likewise support the proposed approach to a subset of issues within an initiative, but oppose the proposed approach on others. During the policy development phase, it may not be possible to fully capture parties’ positions through an overly simplistic support/oppose rubric, and CAISO staff would likely benefit from additional details regarding stakeholder positions and recommendations for revisions to proposals.

In terms of the timing of when position statements or indicative voting occurs within an initiative process, logical points would be on the initial and final problem statements and on

proposal iterations (i.e., Straw Proposal, Revised Straw Proposal, Draft Final Proposal, etc.) It may not be necessary to establish a formulaic approach to when position statements are requested or indicative voting takes place, but in conjunction with the comments process during the policy development phase would appear to make sense.

The Six Cities encourage the RIF to provide more detail regarding the envisioned reporting by the RIF to the WEM Governing Body regarding indicative voting or stakeholder position statements. At this time, the Six Cities do not support the concept of RIF sector liaisons “voting” on CAISO initiatives, but do not oppose the RIF’s evaluation of individual stakeholders’ position statements on issues and the reporting of such positions at the sector level (or based on other metrics, such as geography, net load versus net supplier status, etc.) if useful in the decision-making process.

Function and Purpose of the RIF

11. Does your organization support the RIF exercising a more active role in advising the WEM Governing Body and/or CAISO regarding the positions of stakeholders on initiative topics in a stakeholder process or that are before the Governing Body? Are there procedures that your organization believes the RIF should follow in carrying out this function?

Six Cities’ Comments: The Six Cities do not oppose the RIF using its existing authority to more actively engage with topics that are before the WEM Governing Body for approval. Regardless of whether the RIF assumes a more active role in advising the Governing Body of stakeholder positions, individual stakeholders should retain the ability to convey their views to decision-makers directly.

12. Do you support the RIF taking steps to move away from providing information or educational content during its meetings? Should the RIF move its focus to discussion of issues that are actively pending in stakeholder processes?

Six Cities’ Comments: There is value in the RIF’s informational and educational content, and the Six Cities encourage the RIF to consider ways in which to strike a balance between addressing issues in pending initiatives and providing content that may, strictly speaking, not relate directly to pending issues but may, nonetheless, highlight key market design topics that are of importance to stakeholders. For example, the RIF has engaged with topics such as management of natural gas supply, market seams, and congestion revenue rights, and these discussions have been or may be foundational to future initiative efforts. The RIF should retain the ability to engage with such topics, especially where requested by sectors or the broader stakeholder community.

13. Please provide input on any other specific proposals that the RIF should consider to support and facilitate stakeholder involvement in the initiative process.

Six Cities' Comments: The Six Cities do not have additional comments on this topic at this time.

Other comments

14. Please provide comments regarding the process and timeline for the RIF Enhancements project.

Six Cities' Comments: The Six Cities do not have comments on the process/timeline for this effort at this time.

15. Please provide comments regarding any other aspect of the RIF Enhancements project.

Six Cities' Comments: The Six Cities do not have additional comments at this time.

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