

GENERAL SESSION MINUTES

WESTERN ENERGY MARKETS GOVERNING BODY MEETING

November 6, 2024

Web Conference

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The Western Energy Markets (WEM) Governing Body convened the general session meeting at approximately 1:00 p.m. and the presence of a quorum was established.

ATTENDANCE

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

Robert Kondziolka, Chair
Rebecca Wagner, Vice Chair
Andrew Campbell
Anita Decker
John Prescott

GENERAL SESSION

The following agenda items were discussed in general session:

DECISION ON GENERAL SESSION MINUTES

Vice Chair Wagner moved for approval of the WEM Governing Body general session minutes for the September 25, 2024, WEM Governing Body meeting. The motion was seconded by Member Prescott and approved 5-0.

CEO REMARKS

Elliot Mainzer - President and CEO, provided a brief summary of his latest report, which included recognition of the ten year anniversary of the Western energy imbalance market and the ISO's recent FERC filing on inter-scheduling coordinator trades in regional markets in preparation for implementing the extended day-ahead market. Mr. Mainzer concluded by expressing his appreciation to the Governing Body and ISO Board of Governors for their participation in the ISO Stakeholder Symposium held in Sacramento, California on October 30. Brief discussion ensued.

BODY OF STATE REGULATORS UPDATE

Gabriel Aguilera – Commissioner of New Mexico Public Regulation Commission, and Chair of the WEM Body of State Regulators (BOSR), provided an update on behalf of the BOSR. Chair Aguilera first noted his election as the new BOSR Chair and John Hammond - Commissioner, Idaho Public Utilities Commission, as BOSR's new Vice Chair and BOSR Governing Body nominating committee representative. Chair Aguilera expressed appreciation to Nevada Commissioner Hayley Williamson for her service as the BOSR Chair over the past year. Next, Chair Aguilera provided highlights from the BOSR's bi-annual meeting held on October 22, which included policy initiative updates from ISO management and a briefing on battery storage by the Department of Market Monitoring. Chair Aguilera noted the BOSR's support of the interim solution proposed in the storage bid cost recovery enhancements initiative and the body's continued engagement in various ISO regional stakeholder initiatives. Chair Aguilera concluded by noting that BOSR submitted comments on the Pathways Step 2 proposal which were primarily focused on funding requirements for the proposed regional organization. Brief discussion ensued.

REGIONAL ISSUES FORUM UPDATE

Meg McNaul – Partner, Thompson Coburn LLP, representing the Six Cities and Chair of the Regional Issues Forum (RIF), provided an update on their recent meetings. Chair McNaul provided highlights from the September 27 meeting, which included a panel discussion on congestion revenue rights as well as an update on the extended day-ahead market implementation efforts. Chair McNaul then provided highlights from the October 29 meeting, which included a panel discussion on enhancements to the ISO stakeholder engagement and working group processes; an update from the ISO on its policy initiative catalog and roadmap process; and a panel discussion on reforms to congestion revenue rights how they would be applied in regional markets. Chair McNaul concluded by noting the RIF will continue to focus on the ISO's catalog and roadmap process as well as developing its 2025 meeting schedule. Brief discussion ensued.

BRIEFING ON WEIM BENEFITS AND MARKET UPDATE (Q3 2024)

Guillermo Bautista Alderete, Director – Market Performance and Advanced Analytics, provided a briefing on the third quarter 2024 WEIM benefits, first noting the \$365 million in economic Q3 benefits and \$6.25 billion in overall cumulative benefits. Mr. Bautista Alderete then reviewed the physical and economic transfers and noted that prices trended downward after high load conditions in July. Mr. Bautista Alderete concluded by noting that the imbalance market enabled balancing area access to assist energy transfers leading to operational benefits. Brief discussion ensued.

Public comment

There was no public comment offered at this time.

WEM GOVERNING BODY MARKET EXPERT OPINION ON STORAGE BID COST RECOVERY ENHANCEMENTS

Susan Pope – WEM Governing Body market expert, presented her opinion on the storage bid cost recovery enhancements final proposal. Ms. Pope first noted her support for the proposed modifications to the formula used to calculate bid cost recovery for storage resources. Ms. Pope provided a summary of the unwarranted bid cost recovery issue that the final proposal addresses, including an overview of the advantages and disadvantages of the proposed market rule changes. Ms. Pope concluded by providing her suggestions for items to address in the next track of the initiative, including well-documented analysis of the implemented changes and clear definition of warranted vs. unwarranted bid cost recovery. Discussion ensued.

Public comment

There was no public comment offered at this time

BRIEFING ON POLICY INITIATIVES AND WEM GOVERNING BODY PLANNING CALENDAR

Becky Robinson – Director, Market Design and Analysis, provided updates on active policy initiatives for various WEIM-related policy initiatives, which included the following: extended day-ahead market and day-ahead market enhancements implementation efforts; WEIM resource sufficiency evaluation enhancements; price formation enhancements; greenhouse gas coordination working group activities; gas resource management; and congestion revenue rights. Ms. Robinson responded to various questions from the Governing Body throughout the presentation and concluded with an overview of the current policy initiative timelines. Discussion ensued.

Public comment

There was no public comment offered at this time

INFORMATIONAL REPORTS

There were no comments or questions on the informational reports.

FUTURE AGENDA ITEMS

There were no future agenda items.

ADJOURNED

There being no additional general session matters to discuss, the general session was adjourned at approximately 2:40 p.m.