

WESTERN ENERGY IMBALANCE MARKET

EIM Governance Review Committee Phase Two Governance Documents

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The Governance Review Committee’s “part two proposal” recommends refinements of ISO governance.

- Approved in August 20 joint meeting
- Changes summarized in Part One Draft Final Proposal, pages 19-22
 - Joint authority
 - Advisory role
 - Resolving deadlocks over policy initiatives
 - Dispute resolution over decisional classification (weighted voting)
 - Eliminate short-term emergency filings
 - Durability of delegation

Management is seeking the EIM Governing Body's advisory input regarding the proposed changes.

- Three documents to revise
 - Corporate bylaws
 - Charter for EIM Governance
 - “Guidance Document”
- Changes to these documents require Board approval
- Before seeking approval from Board, Management is seeking advisory input



Redlines in the corporate bylaws reflect the following changes:

- Align Article IV, which establishes EIM Governance, with joint authority model
- Add durability rule to Article IX, which governs amendments to bylaws
 - Related change in Article IV, §1 (b) about amending the Charter for EIM Governance

Redlines to the Charter for EIM Governance reflect the following changes:

- Additional language about durability of Section 2.2 (§ 9)
- New scope of joint authority and advisory role (§ 2.2.1)
- New process for resolving disputes about policy initiatives (§ 2.2.2)
- Adjust process for resolving disputes about decisional classification (§ 2.2.3)
- Delete rule about filing in exigent circumstances (§ 2.2.3)

Changes to the “Guidance Document” reflect the following:

- New title: “Guidance Document for Handling Policy Initiatives that may Come Before the EIM Governing Body”
- Language related to delegation of authority and resolving disputes about decisional classification drawn from GRC proposal
- Other clarifications and updates