

GENERAL SESSION MINUTES EIM GOVERNANCE REVIEW COMMITTEE MEETING March 11, 2020 Teleconference

March 11, 2020

The Energy Imbalance Market Governance Review Committee, an advisory committee to the ISO Board of Governors and the EIM Governing Body, convened the general session meeting at approximately 8:00 a.m. and the presence of a quorum was established.

ATTENDANCE

The following members of the EIM Governance Review Committee were in attendance:

Tony Braun
Andrew Campbell
Suzanne Cooper
Eric Eisenman
Jennifer Gardner
Therese Hampton
Kristine Raper
Robert Taylor
Rebecca Wagner
Mary Wiencke
Cameron Yourkowski
Valerie Fong
Angelina Galiteva

The following members of the ISO executive team were present: Roger Collanton and Stacey Crowley

GENERAL SESSION

The following agenda items were discussed in general session:

PUBLIC COMMENT

There was no public comment.

DECISION ON GENERAL SESSION MINUTES

Committee member Wagner moved for approval of the EIM Governance Review Committee general session minutes for the December 4, 2019 meeting. The motion was seconded by Committee member Gardner and approved 11-0.

EIM GOVERNANCE REVIEW COMMITTEE CHAIR UPDATE

Committee Chair Hampton provided an update on behalf of the Governance Review Committee regarding its work progress. Ms. Hampton introduced the GRC and reported that the GRC is developing proposed governance changes for two scenarios through an open stakeholder process. She explained that the GRC's scoping paper dated February 5, 2020, sought feedback from stakeholders on six broad issues for consideration in the governance review. She concluded by summarizing the GRC's planned timeline and next steps.

DISCUSSION AND PRESENTATION OF STAKEHOLDER COMMENTS ON THE SCOPING PAPER

Josh Walter of Seattle City Light and David Rubin of NV Energy provided an overview on behalf of EIM Entities of their proposed principles on governance. Messrs. Walter and Rubin explained that EIM Entities are a geographic- and resource-diverse set of entities who are currently participating or will be participating in the EIM. They next discussed the following proposed governance principles: preservation of state regulatory and local regulatory authorities' ability to make important policy decisions on issues such as resource adequacy and environmental policies; an EDAM governance structure must be consistent with the ISO's inherent corporate structure; the ISO Board of Governors must ensure that the EIM or EDAM Governing Body does not undermine the Board of Governors' legal and business affairs under California corporate law; and, finally, for Balancing Authority Areas, stakeholders, and regulators external to California to have the confidence in the successful operation of the market, the design of the market's governance structure must achieve the maximum level of independence possible under current laws and policies. They next summarized the EIM Entities' written comments and proposal in response to the GRC's scoping paper.

Matt Lecar of Pacific Gas & Electric provided an overview of PG&E's written comments in response to the GRC's scoping paper. Mr. Lecar stated that PG&E supports the governance framework and decisional rules for the current EIM and believes that with EDAM new governance rules will be necessary. He summarized PG&E's comments, which include support for a bright line test for decisional classification, a joint approval process for market design, and expanded membership in the Governing Body.

Commissioner Letha Tawney of the Oregon Public Utilities Commission – Chair, Body of State Regulators – provided an overview of the BOSR's written comments in response to the GRC's scoping paper. Commissioner Tawney described the BOSR's membership and

its role. Next, she summarized BOSR's comments and explained that BOSR supports a regional market with a governance framework that includes empowered, representative decision makers who are equipped to make sound, transparently informed choices; equipped public interest stakeholders able to participate in reasonable proportion to market participants; and transparent decision making and stakeholder processes that engender trust across diverse interests.

Lea Fisher of Public Generating Pool provided an overview of written comments submitted by NW Public Power, which represents publicly-owned utilities in the Pacific Northwest, in response to the GRC's scoping paper. Ms. Fisher summarized NW Public Power's comments, which include support for durable governance with decision-making that reflects the interest of the entire footprint, an independent market expert, a stakeholder advisory committee, and a governance framework for EDAM as proposed by PGP.

Jennifer Gardner of Western Resource Advocates provided an overview of written comments submitted by four western public interest organizations in response to the GRC's scoping paper. Ms. Gardner summarized governance-related recommendations by the public interest organizations including recommendations that the GRC's proposal should strive to put the EIM Governing Body on equal footing with the Board of Governors, provide the Public Interest and Consumer Advocate Groups Sector of the EIM Nominating Committee a voting role, suggest that EIM Governing Body meetings continue to take place across the region, and consider the issue of BOSR funding. Ms. Gardner stated that public interest organizations do not feel a stakeholder advisory committee is needed yet but support an independent market expert. She concluded by suggesting a proposed set of guiding principles for the GRC to be guided by as it develops a governance proposal.

Committee member Wagner moderated a panel discussion with Mr. Walter, Mr. Rubin, Mr. Lecar, Commissioner Tawney, Ms. Fisher, and Ms. Gardner regarding the issue of delegation of authority, during which panelists addressed, clarified or elaborated on their respective, related written comments. In the same way, Committee member Cooper moderated a panel discussion with the panelists regarding the current process and criteria for selecting Governing Body members. Next, Committee member Taylor moderated a similarly-structured discussion with the panelists regarding stakeholder engagement. Broad discussion ensued among Committee members, ISO staff, and stakeholders on each of the topics, as well as on the ISO's policy initiatives roadmap process and the ISO's corporate governance framework.

FUTURE AGENDA ITEMS

There were no items to discuss.

ADJOURNED

There being no additional general session matters to discuss, the general session was adjourned at approximately 12:00 p.m.