

WESTERN ENERGY IMBALANCE MARKET

ISO Stakeholder Process Overview and Update

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Governance Review Committee

General Session

December 4, 2019

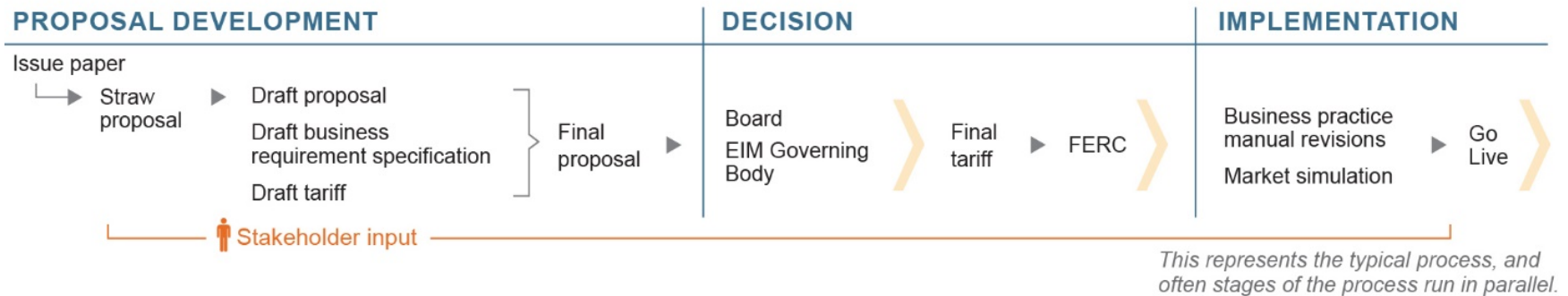


Stakeholder input is essential for successful market development and infrastructure planning

- ISO uses a consistent process for obtaining stakeholder input on policy initiatives
- All stakeholders have equal opportunity to participate and comment in the decision-making process
- Issues affect our market design, policies, implementation and infrastructure planning activities

ISO Stakeholder Engagement Process

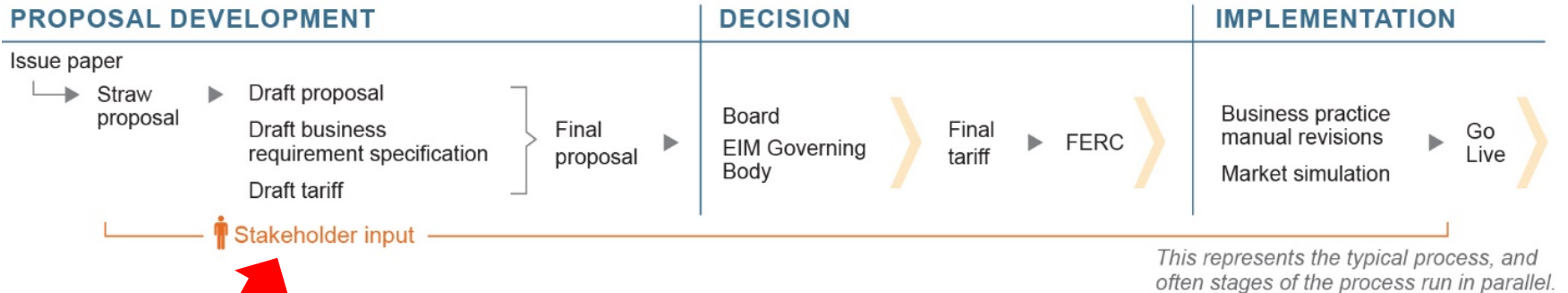
Stakeholder Initiative Process



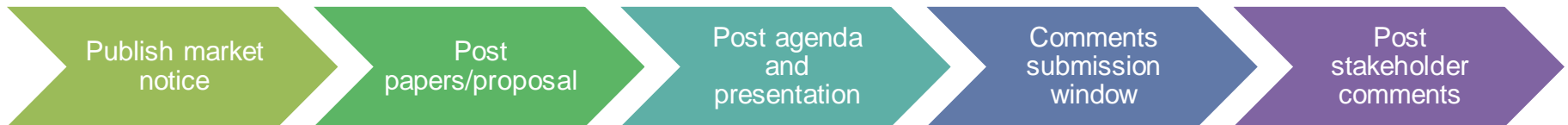
Stakeholders can engage in every phase of the process, starting with policy development through implementation

Steps to manage a transparent stakeholder process

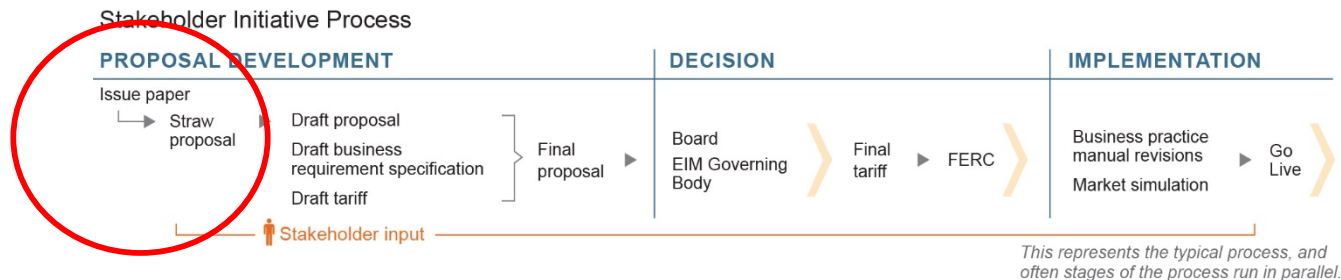
Stakeholder Initiative Process



The following activities occur at each stage in the stakeholder process

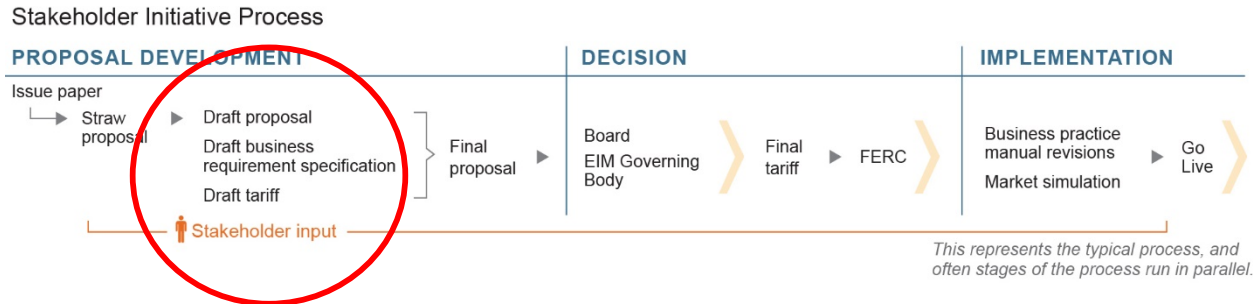


Issue Paper development



- Develop issue paper based on stakeholder feedback, FERC directive, or needed market change
- Post paper to webpage and send out market notice at least one week prior to meeting
- All meetings are recorded
- Host meeting with stakeholders

Improvements to the proposal development process begin this winter



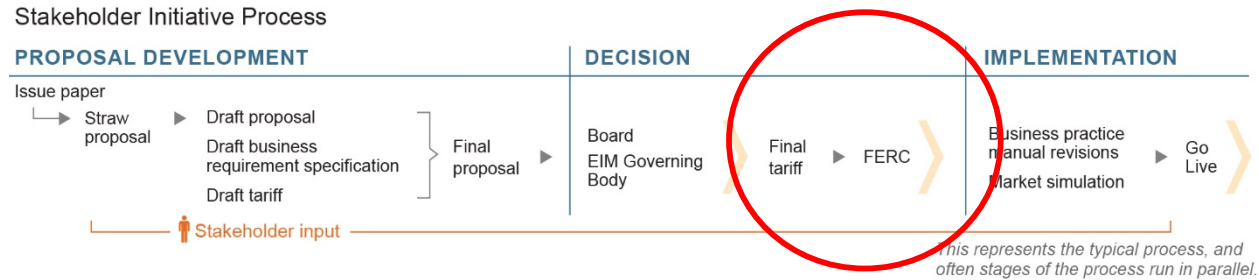
- Draft proposal, draft business requirement specifications (BRS), and draft tariff are developed concurrently
- Post to ISO webpage and send out market notice
- Post presentations 2 days before meeting
- Host meetings with stakeholders

Final comments received and the final proposal is submitted to the EIM Governing Body and/or the ISO Board for decision



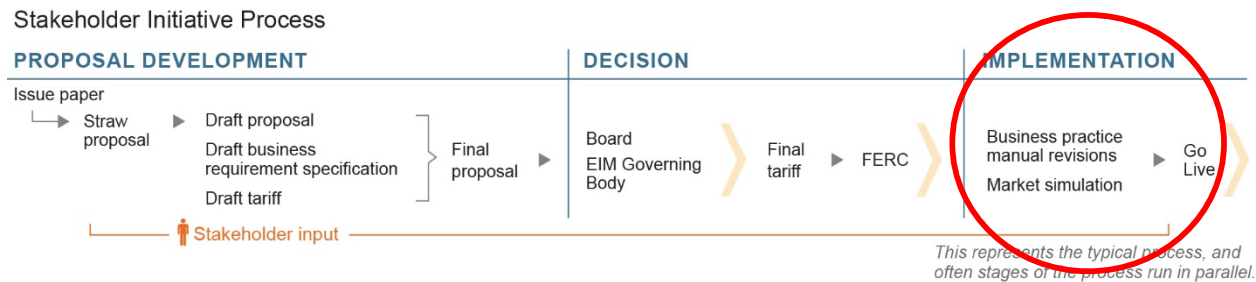
- Receive final stakeholder positions on draft final proposal
- Present proposal and stakeholder positions to the EIM Governing Body and/or the ISO Board
- Receive decision and proceed with implementation if approved

FERC acceptance process may include stakeholder comments, conditions or changes for implementation



- Finalize documents and submit for FERC acceptance
- If necessary, respond to stakeholder comments at FERC
- Receive order from FERC
- If necessary, make revisions or file compliance documents
- Implement accepted changes

Implementation activities and go-live



- Draft business practice manuals (BPM)
- Receive comments from stakeholders and revise BPM
- Post to ISO webpage and send out market notice
- Initiate market simulation

Stakeholder Initiative Webpages

Visit www.westerneim.com; select Initiatives Tab

[Calendar](#) | [Notifications](#) | [Contact Us](#) | [caiso.com](#)

WESTERN ENERGY IMBALANCE MARKET

Western Energy Imbalance Market > Initiatives

Initiatives

Stakeholder input is essential to ISO planning processes from policy development to implementation. We come from stakeholder input into ongoing policy initiatives to develop the Western EIM. As entities join, we anticipate new proposals, and have stakeholder feedback to ensure we evolve to meet participants' needs.

[Stakeholder Initiative Milestones](#)
[Release Planning](#)
[Annual Policy Initiatives Roadmap Process](#)

Current stakeholder initiatives

The [Guidance Handling Policy Initiatives within the Decisional Authority or Advisory Role of the EIM Governing Body](#) describes the policy for how initiatives are identified and classified for decision by the EIM Governing Body. Click any of the initiatives below for information on participation in current meetings and for policy development materials.

The initiative links below lead to the [California ISO website](#).

Initiative	Initiative falls entirely or partly within EIM Governing Body's primary authority (E1)	Initiative falls entirely or partly within EIM Governing Body's advisory authority (E2)	Hybrid where primary driver for initiative is EIM-specific (E3)	Hybrid where primary driver for initiative is not EIM-specific (E4)
Commitment costs and default energy bid enhancements		X		
Day-ahead market enhancements		X		
Energy storage and distributed energy resources phase 3		X		
Energy storage and distributed energy resources phase 4		X		
Extended Day Ahead Market Enhancements to EIM Entities		X		
Hybrid Resources		X		
Import bid cost verification		X		
Intertie deviation settlement		X		
Local market power mitigation enhancements 2018	X	X		
Market Settlement Timeline		X		
Real-time market neutrality settlement	X			

Current stakeholder activities
[Governance Review Committee](#)
[System market power analysis \(E2\)](#)

Multiple enhancements will occur throughout 2020

- FRP enhancements
 - Policy development: November 2019 – February 2020
 - EIM GB and BOG decision: March 2020
- Day-ahead market enhancements
 - Policy development: January 2020 – July 2020
 - EIM GB and BOG decision: 2021
- Extended day-ahead market
 - Policy development: October 2019 – February 2021
 - EIM GB and BOG decision: Q2 2021
 - Commence series of workshops early February 2020