WESTERN ENERGY IMBALANCE MARKET (WEIM)

WEIM Governance Review Committee Meeting

WEIM Governance Review Committee
General Session
September 23, 2022

Decision on General Session Minutes August 29, 2022

Recommendation for joint authority

- The GRC carefully considered the arguments made for both primary and joint decision authority models.
- The GRC recommended in the Straw Proposal expanding the joint authority model currently used for the WEIM to apply to the EDAM.
- The GRC recommended the Joint Authority model because it:
  - Recognizes the high degree of interconnectedness in the WEIM and the EDAM markets;
  - Requires the WEIM Governing Body, Board and stakeholders to come together with a problem-solving orientation;
  - Ensures decisions made by both the Governing Body and Board transparently consider the impacts on all stakeholders; which supports advancement of future regional governance

GRC requested comment on additional scope

- In the Straw Proposal, GRC recommended that the “apply to” test for WEIM and EDAM will encompass the majority of day-ahead and real-time market rules.

- GRC requested input on whether there are options to enhance the “apply to” test to ensure highly impactful issues are included in scope. Options include:
  a. Develop a set of specifically identified topics to be decided under joint authority that are in addition to those covered by the "apply to" test, or
  b. Extend joint authority to all real-time and day-ahead market rules but create a defined set of exceptions or exclusions for topics that would remain subject to the Board’s sole approval.

- GRC requested specific proposals on rules or concepts for additions or exclusions that will support a straightforward decisional classification process and be relevant over time to new issues.

Summary of Comments on Scope of Joint Authority

- Several commenters supported the “Apply To” test due to the clarity it provides for decisional classification and the relevance to EDAM Market Participants.

- Several commenters supported an expansion from the apply to test and/or inclusion of all day-ahead and real-time rules with exceptions for those items that apply only to the CAISO Balancing Authority Area.

- Several entities requested a review of the tariff to determine what the “applies to” test would include.

- The GRC requested and has posted a preliminary review of what would be under joint authority under an “applies to” test.

Workshop Question: Is the list of unresolved items complete?

Joint Authority*	Unresolved	ISO BOG Sole Authority
1: Definitions and Interpretation 6: Communications 10: Metering 11: CAISO Settlements and Billing 12: Creditworthiness 13: Dispute Resolution 14: Uncontrollable Force, Indemnity, Liabilities, and Penalties 20: Confidentiality 22: Miscellaneous 27: CAISO Markets and Processes 29: Energy Imbalance Market 30: Bid and Self-Schedule Submission for all CAISO Markets 31: Day-Ahead Market 33: Enhanced Day-Ahead Market [New section to be added to Tariff] 34: Real-Time Market 35: Market Validation and Price Correction 37: Rules of Conduct 39: Market Power Mitigation Procedures Section 44: Flexible Ramping Product	• Initiatives Associated with Transmission Access into, out of and through the CAISO-Controlled Grid • System Market Power in CAISO BAA • Congestion Instruments • Others?	2: Access to the CAISO Controlled Grid 3: Local Furnishing, Other Tax-Exempt Bond Facility Financing 4: Roles and Responsibilities 5: Black Start and System Restoration 7: System Operations Under Normal and Emergency Conditions 8: Ancillary Services 9: Outages 15: Regulatory Filings 16: Existing Contracts 17: Transmission Ownership Rights 19: Reliability Coordinator 23: Categories of Transmission Capacity 24: Comprehensive Transmission Planning Process 25: Interconnection of Generating Units and Facilities 26: Transmission Rates and Charges 28: Inter-SC Trades 36: Congestion Revenue Rights 40: Resource Adequacy Demonstration for all SCs in the CAISO BAA 41: Procurement of RMR Resources 42: Adequacy of Facilities to Meet Applicable Reliability Criteria 43A: Capacity Procurement Mechanism

**All or most of these sections would be under Joint Authority under the Apply to Test*

Workshop Question: What principle(s) do stakeholders recommend to guide a durable scope of authority?

- What are the principles stakeholders would use to decide unresolved issues?
- Is there a principle that is more actionable than an impact test?
- Should there be a symmetry expectation for transmission and BA operations? Why or why not?

Additional Discussion Questions

- What additional considerations or input would you like GRC to consider to address unresolved issues?

- If WEIM Governing Body Advisory Authority were to be enhanced or elevated, what features would be helpful?
  - WEIM Governing Body Advisory Opinion provided in Joint Meeting of the Governing Body and ISO Board
  - If WEIM Governing Body Advisory Opinion differs from ISO Board position:
    - A super majority vote of ISO Board required prior to tariff filing
    - WEIM Governing Body opinion, developed with independent support, included in tariff filing

Governance review timeline

Jul - Aug

- July 15 – publish straw proposal
- July 20 – GRC public meeting
- August 15 – straw proposal comments due
- August 29 – GRC public meeting to discuss stakeholder comments

Sept

- September – GRC work to refine proposal
- September 23 – GRC general session meeting to discuss scope of joint and advisory authority

Oct-Dec

- Late October – issue revised proposal
- December – issue final proposal
- December – bring to WEIM GB and BOG for decision with EDAM market design proposal

WEIM Governance Review Committee - members

Michele Beck	Utah Office of Consumer Services
Tony Braun	Braun Blaising & Wynne, PC
Suzanne Cooper	Bonneville Power Administration
Eric Eisenman	Pacific Gas and Electric Company
Angelina Galiteva*	California ISO Board of Governors
Therese Hampton	Consultant representing public power
Jeff Nelson	Southern California Edison
Amanda Ormond	Ormond Group LLC
John Prescott*	WEIM Governing Body
Pam Sporborg	Portland General Electric
Commissioner Letha Tawney	Body of State Regulators
Rob Taylor	Salt River Project
Rebecca Wagner	Independent consultant
Cameron Yourkowski	EDP Renewables

** non-voting member*

Helpful links

WEIM GRC information

https://www.westerneim.com/Pages/Governance/GovernanceReviewCommittee.aspx

WEIM Governance Review Initiative webpage

https://stakeholdercenter.caiso.com/StakeholderInitiatives/Western-EIM-governance-review

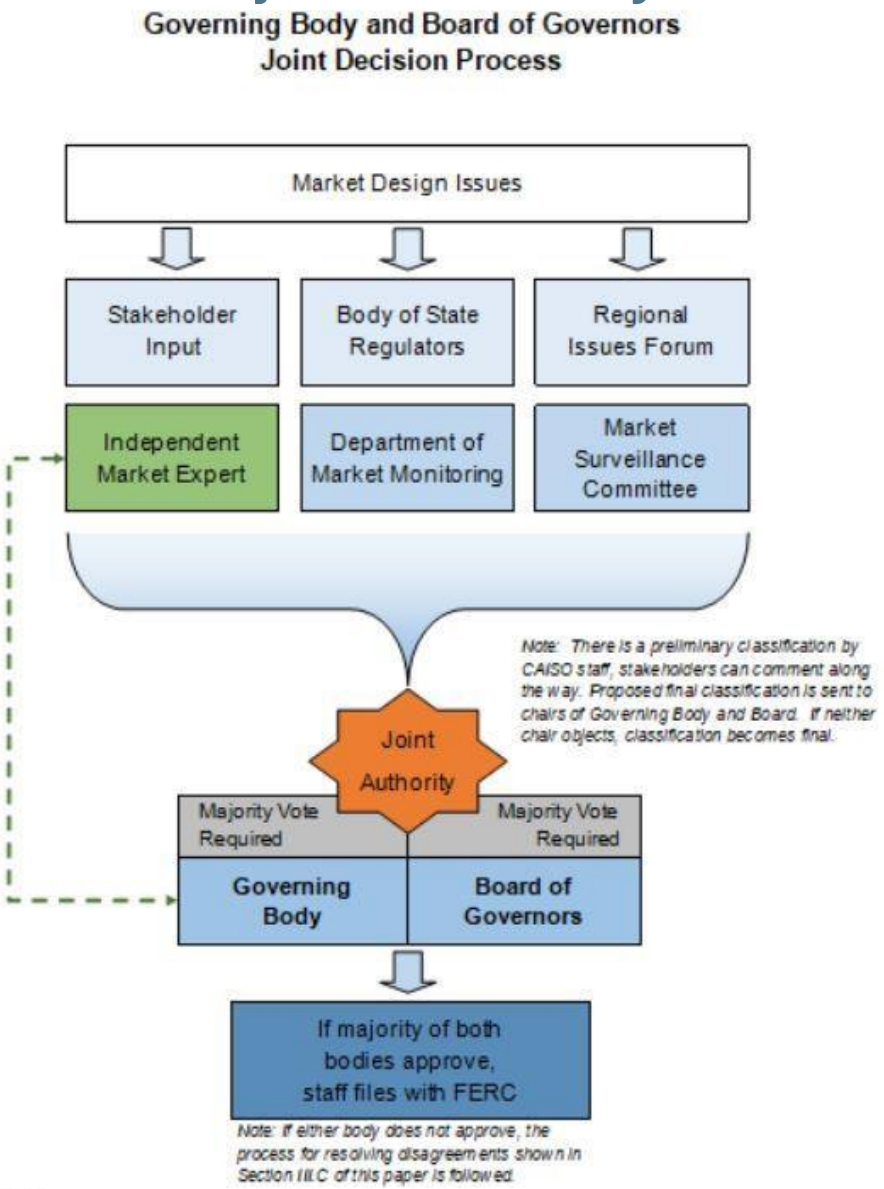
Western EIM GRC Part One Draft Final Proposal

http://www.caiso.com/InitiativeDocuments/PartOneDraftFinalProposal_EIMGovernanceReview.pdf

Western EIM GRC Part Two Draft Final Proposal

http://www.caiso.com/InitiativeDocuments/Decision-EIM-Governance-Review-Committee-Part-Two-Draft-Final-Proposal-July-19-2021.pdf

Recommendation for joint authority



Dispute Resolution Process