

OPERATING GUIDELINES

ENERGY IMBALANCE MARKET REGIONAL ISSUES FORUM

Revised September 2021

The Energy Imbalance Market (EIM) Regional Issues Forum (RIF) was formed in response to interests raised by various stakeholders in the Western Interconnection to have a forum to express potential concerns and to raise issues with the EIM Governing Body. The formation of the RIF was recommended in the Governance Proposal made by the EIM Transitional Committee to the ISO Board of Governors, and adopted by the Board of Governors on September 17, 2015 (“Governance Proposal”), and subsequently included in the Charter for Energy Imbalance Market Governance, adopted December 18, 2015 (“EIM Charter”). While the EIM Charter has evolved over time, a significant set of changes for the RIF were recommended by the Governance Review Committee in 2021. They were approved jointly by the Board of Governors and the EIM Governing Body on May 6, 2021. The RIF has been formed by the identified sectors, and is not a committee or sub-committee of or established by the ISO Board of Governors or the ISO EIM Governing Body. Members of the RIF are not restricted in taking any position before FERC or any other forum concerning matters related to EIM or the ISO.

Purpose and Responsibilities

The purpose of the RIF is to provide a forum for stakeholders to learn about the EIM, the EIM Governing Body, and related ISO developments that may be relevant to the RIF, and to provide a forum for addressing ~~broader~~ issues of EIM operations. However, it is not the intent that the RIF displace the ISO’s existing stakeholder process. If the RIF takes up a topic that is part of an ongoing CAISO Stakeholder process, stakeholders are strongly encouraged to participate in both forums. (~~Governance Proposal at pages 18-19~~)

The RIF shall:

1. Hold periodic meetings to provide information to stakeholders about the EIM and ISO markets and provide a forum for discussion.
2. Seek input from the sectors on issues and concerns that they believe the RIF should discuss.
3. Establish a process for determining which issues to discuss and/or potentially advance to the EIM Governing Body and the CAISO for consideration in establishing a stakeholder process.
4. Assign sub-teams made up of the sectors’ subject matter experts to evaluate specific EIM issues and report back to the RIF and stakeholders with any recommendations for solutions.
5. Communicate to the sectors on the status of issues being addressed by the RIF.

6. Establish a process through which it may express a common position on establishing ISO stakeholder processes or views and opinions on EIM issues to the EIM Governing Body.
7. Through the Chair (or designee) attend all meetings of the ISO EIM Governing Body and communicate the results of RIF meetings.

Composition and Governance

1. Membership

- a. The RIF shall be facilitated by two Liaisons from each of the following sectors:
 - i. ~~Transmission EIM entities (as defined in the Tariff); Owning Utilities — These entities will be within the EIM footprint, and could be EIM Entities or Participating Transmission Owners;~~
 - ii. ~~Independent ISO participating transmission owners (as defined in the tariff); Generators and Independent Marketers — Independent generators must be located within the EIM footprint and independent marketers must be transacting within the EIM footprints;~~
 - iii. ~~Consumer-owned utilities located within an EIM balancing authority area that are not included in another sector; Publicly Owned Utilities — This sector will be made up of publicly owned utilities (including rural cooperatives), and any federal or state entities, that are within the EIM footprint.~~
 - iv. ~~Public Interest Groups and Consumer Advocates groups that are actively involved in energy issues within the EIM footprint or the Western Interconnection in which the EIM entities transact. —~~ This sector will include one Liaison from organizations that represent end-use customers and one Liaison from organizations that represent other public interests;
 - v. ~~Independent power producers and marketers who engage in transactions within the EIM footprint; Neighboring Adjacent Balancing Authority Areas — This sector will include any balancing authority area whether public or investor owned, including any participating power market administration that interconnects with the EIM footprint.~~
- b. In addition, federal power marketing administrations may select one liaison.

~~b. Any entity which falls into more than one sector must choose only one sector in which to participate. An entity can nominate and/or be nominated as a Sector Liaison within one Sector only. There are only two of the five Sector categories that present a potential for an entity to be in more than one Sector. Those are: Transmission Owning Utility and Publicly Owned Utility. In such a case, the Sector for the entity will be determined in the following order:~~

~~i. Transmission Owning Utility~~

~~ii. Publicly Owned Utility~~

~~An entity may only nominate and/or be nominated for the highest category in which they qualify. For example, a Publicly Owned Utility that owns transmission will only be eligible to nominate and/or be nominated as a Sector Liaison in the Transmission Owning Utilities Sector.~~

~~Liaisons may include trade associations or other forms of representation deemed appropriate by their sector.~~

2. Selection Process

a. Each sector shall select two Liaisons to facilitate sector input and organize the RIF.

b. Each Liaison to the RIF shall serve until a successor is identified.

c. If a vacancy occurs at any time, the CAISO will facilitate a sector process to identify a new Liaison.

i. The Liaison will make all reasonable attempts to provide the CAISO and their sector with at least 60 days' notice of intent to resign.

ii. Upon receipt of the Liaison's intent to resign, the CAISO will issue a Stakeholder Notice 1) establishing a time and date for a Sector call not sooner than 3021 days from the notice and 2) requesting that interested candidate submit a Statement of Interest to the CAISO within 20 days.

iii. The CAISO will publish all statements of interest on the Regional Issues Forum webpage prior to the sector meeting- on the Regional Issues Forum webpage.

iv. The Sector call will be facilitated by the remaining Liaison. If unavailable the RIF Chair or Vice Chair may facilitate.

v. If there are more interested candidates than available Liaison positions, a vote by secret ballot will be conducted and

administered by CAISO. Only members of the sector, as defined in the RIF Operating Guidelines, are eligible to vote. With respects to the Public Interest Groups and Consumer Advocates sector, all members of the sector are eligible to vote for both the Public Interest Group and the Consumer Advocate Liaison.

vi. The elected Liaison's term will begin immediately following the conclusion of the Sector vote.

3. ~~However, a sector Liaison may be removed immediately by a petition signed by at least 40% of the registered entities of the sector submitted to, and accepted by, the RIF. If a vacancy occurs at any time, the CAISO will conduct a sector process to identify a new Liaison.~~ Removal

a. ~~A sector Liaison may be removed immediately by a petition signed by at least 40% of registered entities of the sector submitted to, and accepted by, the RIF.~~

2.4. Leadership

- a. Liaisons shall select one Liaison to serve as the Chair and one Liaison to serve as the Vice-chair, each for a term of one year. For purposes of continuity, it is the intent for the Vice-chair to move in-to the Chair position for the next one-year term.
- b. The Chair of the RIF shall plan and manage its meetings, and coordinate and circulate agendas.
- c. Liaisons shall select one Liaison to serve as the Secretary for the RIF to ensure that meeting summaries and other materials are compiled and posted to the ISO website for public availability.

3.5. Meetings

- a. The Liaisons shall determine the time and place of its meetings, recognizing the requirement of the Governance Proposal and EIM Charter that it hold at least three forums annually, but may be more frequent if issues warrant or if requested by stakeholders, the EIM Governing Body, or the EIM Body of State Regulators. These meetings shall be public.
- b. The Liaisons shall determine the procedures for its meetings, except:

- i. A quorum for meetings shall be at least one Liaison from each sector¹.
- ii. Actions taken by the RIF shall normally be by consensus (i.e. – all members can “live with the decision”). With respect to any opinion developed, where there is not a consensus, then majority and minority positions shall be recorded and communicated to the EIM Governing Body.
- iii. Meetings of the RIF may be in person or by conference call as determined by the Chair.
- iv. The RIF will endeavor to schedule in person meetings in locations that will encourage attendance from stakeholders

from multiple states. Further, when possible, RIF meetings should align with EIM Governing Body meetings. If the meetings do not align, consideration should be given to aligning with other regional meetings to reduce travel time and costs.

- c. Liaisons may convene non-public meetings for organizational ~~or deliberative~~ purposes.
- d. Meeting Notice
 - i. The Liaisons shall also provide notice to interested persons by posting the RIF meeting notice and agenda on the ISO website.
 - ii. The Liaisons shall provide 21 days notice prior to the meeting for in-person meetings, and 14 business days prior to the meeting for conference calls, however these notice requirements may be waived by unanimous consent of the Liaisons when the matter(s) to be considered require immediate attention.
 - iii. The Liaisons shall endeavor to have a written agenda posted no later than 14 days prior to any in-person meeting.

Review and Changes to the Operating Guidelines

The RIF Liaisons shall review and make any changes to these Operating Guidelines as needed upon consensus of the Liaisons.

REFERENCE LINKS:

¹ In the event neither Liaison from a sector is available for a meeting, that sector’s Liaisons may inform the Chair and designate a Proxy representative for the sector, for purposes of achieving a quorum.

CAISO Western EIM:

<https://www.westerneim.com/pages/default.aspx>

<http://www.caiso.com/informed/Pages/EIMOverview/Default.aspx>

Transitional Committee Governance Proposal:

https://www.westerneim.com/Documents/Decision_EIM_GovernanceProposal-Proposal-Aug2015.pdf

http://www.caiso.com/Documents/Decision_EIM_Governance_Proposal-Proposal-Aug2015.pdf

CAISO Charter for Energy Imbalance Market Governance:

<https://www.westerneim.com/Documents/CharterforEnergyImbalanceMarketGovernance.pdf> <http://www.caiso.com/Documents/CharterforEnergyImbalanceMarketGovernance.pdf>

EIM Governance Review Committee Part One Draft Final Proposal:

<http://www.caiso.com/Documents/Decision-EIM-Governance-Review-Part-One-Draft-Final-Proposal-Attachment-April-12-2021-Proposal-May-6-2021.pdf>