

Memorandum

To: ISO Board of Governors
From: Stacey Crowley, Vice President, External and Customer Affairs
Date: July 15, 2020
Re: **Business practice manual change management report**

This memorandum does not require Board action.

As required by the Federal Energy Regulatory Commission, Management provides this report to inform the ISO Board of Governors on the status of the business practice manual change requests submitted by stakeholders and/or the California Independent System Operator Corporation.

The ISO inaugurated the public change management process for business practice manuals (BPMs) on April 1, 2009. Both the ISO and stakeholders use the same electronic system and process to submit and track proposed changes to the BPMs. The process includes stakeholder review, ISO approval or rejection, and a possible appeal to the BPM Appeals Committee, which is comprised of three ISO officers.

As of July 2, 2020, the following table represents the active Proposed Revision Requests (PRRs) in the BPM change management system.

Business Practice Manual (BPM)	# of PRR's
Demand Response	1
Generator Interconnection and Deliverability Allocation Procedures	2
Generator Interconnection Procedures	1
Generator Management	2
Metering	1
Market Instruments	3
Market Operations	3
Outage Management	5
Reliability Requirements	2
Settlements and Billing	1
Transmission Planning Process	1
Total	22

PROCESS OVERVIEW

The ISO held four monthly BPM change management stakeholder meetings since the submittal of the previous Board report. There was a stakeholder meeting on March 24, 2020, in which thirty stakeholders participated, April 28, 2020, in which thirty-eight stakeholders participated, May 26, 2020, in which twenty-seven stakeholders participated, and June 23, 2020, in which thirty stakeholders participated. Based on stakeholder comments during the meetings and comments entered into the BPM change management electronic system, it appears that stakeholders are generally satisfied with the process.

BPM CHANGE MANAGEMENT REPORT

In compliance with the tariff reporting requirements, attachment 1 of this report:

- States the total number of active PRRs submitted by stakeholders and/or by the ISO;
- Depicts the active PRRs in various stages along the PRR lifecycle;
- Provides details pertaining to the active PRRs; and
- Provides final decision status regarding PRRs that were closed either by adoption or rejection.

BPM APPEALS PROCESS

Stakeholders have the right to appeal the final decision of a proposed revision request (PRR). Upon appeal, an ISO executive appeals committee conducts a public session to hear stakeholder positions and has 21 days to post a decision. The ISO Executive Appeals Committee is comprised of the Chief Executive Officer, General Counsel, and Vice President of External and Customer Affairs.

In December 2019, Six Cities and PG&E filed appeals on PRR 1122, Inappropriate Reporting of Forced Outages, which affects the BPM for Outage Management. The ISO attempted to resolve their issues through many calls and meetings without success.

- Reason for the Revision: The ISO added clarity to what is inappropriate behavior for reporting forced outages.
- Six Cities believed the language change is a substantive change that is inconsistent with the ISO Tariff.
- PG&E believed PRR 1122 is fundamentally flawed because transparent and accurate communication cannot be viewed as “false or misleading”

The ISO held an Executive Appeals Committee meeting on February 19, 2020, where the Committee heard from the two appellants, PG&E and the Six Cities (Cities of Anaheim, Azusa, Banning, Colton, Pasadena and Riverside, CA), ISO staff, and other interested stakeholders. The written decision of the Committee, in which the appeal was granted, directed ISO staff, “through a stakeholder process, to consider, as expeditiously as practicable, what amendments are necessary

in the outage reporting sections of the ISO tariff to further clarify when planned-to-forced outage reporting is prohibited and when it is permitted,” was posted to the ISO website on March 11, 2020. As an implementation of the Committee’s written decision, the ISO has submitted PRR 1236, which removes section 4.5 of the Outage Management BPM. All relevant materials on this issue can be viewed at <http://www.caiso.com/rules/Pages/BusinessPracticeManuals/Default.aspx>.