

Memorandum

To: ISO Board of Governors and Energy Imbalance Market Governing Body
From: Stacey Crowley, Vice President, External and Customer Affairs
Roger Collanton, Vice President, General Counsel and Corporate Secretary
Date: October 8, 2019
Re: **Decision on EIM Governance Review Committee Charter Revision and Appointment of Additional Committee Member**

This memorandum requires EIM Governing Body action and, if so approved, Board of Governors action.

EXECUTIVE SUMMARY

At the September 18, 2019, joint general session of the Board of Governors and EIM Governing Body, the bodies approved a slate of candidates for the Energy Imbalance Market Governance Review Committee (GRC). Members of both bodies also expressed the desire to consider adding one additional member to the GRC in order to enhance the balance of the committee, and asked Management to propose an additional member. Management recommends adding Mary Wiencke of PacifiCorp to the GRC. Management also proposes, in light of this proposal for an additional member, an amendment to the Charter to increase the maximum size for the GRC by one member.

Management proposes the following motions:

EIM Governing Body Motion:

Moved, that the EIM Governing Body approves a revision to the EIM Governance Review Committee Charter to increase the maximum number of committee members by one member, as set forth in the memorandum dated October 8, 2019; and

Moved, that the EIM Governing Body appoints the following additional member to the EIM Governance Review Committee: Mary Wiencke

ISO Board of Governors Motion:

Moved, that the ISO Board of Governors approves a revision to the EIM Governance Review Committee Charter to increase the maximum number of committee members by one member, as set forth in the memorandum dated October 8, 2019.

Moved, that the ISO Board of Governors appoints the following additional member to the EIM Governance Review Committee: Mary Wiencke

DISCUSSION AND ANALYSIS

The EIM Governance Review Committee (GRC) is a temporary advisory committee, appointed jointly by the EIM Governing Body and the ISO Board of Governors (Board). Its purpose is to lead a stakeholder process to consider and develop potential refinements to the EIM governance structure in light of experience and the evolution of the EIM since its inception. The GRC will develop its proposals through an iterative public stakeholder process similar to that typically followed by ISO staff for policy initiatives. Once that process is completed, the GRC will submit any proposed refinements to the Board and the EIM Governing Body for their consideration.

On June 28, 2019, the EIM Governing Body and the Board jointly approved a Charter for the GRC that set forth, among other requirements, the size and structure of the committee and the process used to choose its members. The GRC Charter provides for a committee of eleven to thirteen members, including eight to ten members that the Board and the EIM Governing Body would select from a list of nominees identified and ranked by six stakeholder sectors. The Charter sets forth various qualifications and criteria that the EIM Governing Body and the Board should consider in establishing the GRC, including that the GRC membership “will be geographically diverse and will collectively reflect the broad range of stakeholder and industry sectors that are involved in EIM.” See GRC Charter, Section III.A.

After the GRC Charter was approved, the stakeholder sectors met first to develop a proposed list of nominees and then to establish sector rankings for the nominees that had been identified. This process took place during July and August, and a confidential ranked list of nominees was provided to the EIM Governing Body and the Board on August 16, 2019. The EIM Governing Body and Board then met in a joint executive session on August 29 to develop a potential slate of GRC members, which was made public in advance of a September 18 joint general session to consider and vote on the slate. The proposed slate consisted of ten individuals, which was the maximum number established in the Charter.

At the September 18 meeting, the EIM Governing Body and the Board each unanimously voted to approve the ten member slate that they had previously identified. Members of both bodies, however, observed that in the period between having proposed the slate and approving it, one member of the slate had announced a change in employment, moving from an investor owned utility in Arizona to a publicly owned utility in the same state. Although the bodies strongly supported keeping that person on the slate notwithstanding the change in employer, members of both bodies expressed concern that this change resulted in the GRC having less representation from the investor owned utility community than the bodies had intended when they originally proposed the slate. In light of that concern, both bodies agreed they should consider adding one additional member to the GRC from an investor owned utility and asked ISO Management to make a recommendation for an additional member.

On October 7, 2019, the EIM Governing Body and the Board met with ISO Management in joint executive session to further consider adding one more member to the GRC. Based on those discussions, Management proposes adding Mary Wiencke to the GRC. Ms. Wiencke was on the list of GRC nominees that stakeholders developed and is Vice President, Market, Environmental, and Transmission Policy at PacifiCorp. She has been actively involved in matters relating to the Western Energy Imbalance Market and is well positioned to provide an additional investor owned utility perspective in connection with the matters that the GRC will be considering.

Because the Charter for the GRC currently states that there will be eight to ten members that are appointed from the pool of stakeholder nominees and eleven to thirteen total members, adding a new stakeholder member will require amending the Charter to increase the membership limits by one. A redlined version of the GRC charter that identifies this proposed revision is attached to this memorandum.

CONCLUSION

Management supports increasing the size of the GRC by one member and recommends that Ms. Wiencke be selected from the list of nominees previously established by stakeholders, and appointed to the GRC. This is consistent with the goal expressed in the Charter of having a geographically diverse committee that includes a broad range of stakeholder and industry sectors, and it will address the concern raised by members of the Board and the EIM Governing Body at the September 18 joint general session.