August 18, 2021

Angelina Galiteva, Chair, CAISO Board of Governors
Anita Decker, Chair, Western Energy Imbalance Market Governing Body
California Independent System Operator
250 Outcropping Way
Folsom, California 9563

Re: Comments in Support of Governance Review Committee Phase 2 Recommendations

Dear Chairs Galiteva and Decker:

The undersigned (collectively the “Joint Commenters”) voice our strong support for the Phase 2 recommendations of the Governance Review Committee (“GRC”) presented to the CAISO Board of Governors and Energy Imbalance Market (“EIM”) Governing Body for approval.

The Board and Governing Body have already approved key governance reforms in the May 2021 meetings. Those Phase 1 reforms expanded the role and changed the composition of the Regional Issues Forum as a stakeholder advisory body, incorporated public power in an advisory role on the Body of State Regulators, and made the Nominating Committee more inclusive. The Part 2 Draft Final Proposal before you contains the key element of the GRC’s recommendations, namely the move to a Joint Authority model for exercise of authority by the Board and Governing Body on important EIM issues. We strongly urge the Board and Governing Body to approve this move to Joint Authority as a logical step that will increase the input of our neighbors on market decisions that directly affect their interests.

The Joint Commenters represent a diverse group of California and national stakeholders that have observed Western regional market debates for many years. We have seen the success of EIM and the working relationships that have been formed by participation in a common market. To date, the EIM has delivered $1.42 billion of gross economic benefits to its participants. We also observe that several states in the West have indicated, through legislation and regulatory direction, that an EIM is not the
end of Western market evolution. It is essential that the CAISO continues to strengthen its bonds with its neighboring systems, and Joint Authority helps move in that direction.

Regional collaboration among Western states, including California, is a foundational part of achieving state decarbonization goals. It is difficult to foresee how California meets its zero carbon goals defined in Senate Bill 100 without enhanced regional collaboration. The Joint Authority proposal is a necessary step to show our neighbors that we are serious about future regional partnerships.

In short, the GRC’s Joint Authority proposal furthers California’s climate policies, is a needed step toward greater regional collaboration, reflects the tremendous growth of the EIM, and points toward future endeavors. We urge the Board and Governing Body to immediately adopt the Joint Authority proposal.

Respectfully,

Dated: August 18, 2021 American Clean Power Association

/s/ Tom Darin
Tom Darin, Director of Western State Affairs

Dated: August 18, 2021 American Clean Power - California

/s/ Danielle Osborn Mills
Danielle Osborn Mills, Director

Dated: August 18, 2021 California Municipal Utilities Association

/s/ Barry Moline
Barry Moline, Executive Director

Dated: August 18, 2021 Environmental Defense Fund

/s/ Michael Colvin
Michael Colvin
Director Regulatory & Legislative Affairs, California Energy Program

Dated: August 18, 2021 Environmental Entrepreneurs (E2)

/s/ Andy Wunder
Andy Wunder, Western States Advocate
Anthony Bernhardt, PhD
Dated: August 18, 2021
Independent Energy Producers Association

/s/ Jan Smutny-Jones
Jan Smutny-Jones

Dated: August 18, 2021
Natural Resources Defense Counsel

/s/ Ralph Cavanagh
Ralph Cavanagh, Energy Program Co-Director
Alex Jackson, Senior Attorney, Climate & Clean Energy Program

Dated: August 18, 2021
/s/ William Boyd
William Boyd
Michael J. Klein Chair and Professor of Law, UCLA School of Law
Professor, UCLA Institute of the Environment & Sustainability

Dated: August 18, 2021
/s/ Edward A. Parson
Edward A. Parson
Dan and Rae Emmett Professor of Environmental Law
UCLA School of Law

Dated: August 18, 2021
/s/ Alex Wang
Alex Wang
Professor, UCLA School of Law

Dated: August 18, 2021
/s/ Arun Majumdar
Arun Majumdar
Jay Precourt Provostial Chair Professor & Senior Fellow
Precourt Institute for Energy
Stanford University

Dated: August 18, 2021
/s/ James Sweeney
James Sweeney
Professor of Management Science and Engineering
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