

COMMENTS OF THE EIM ENTITIES
Draft Final Proposal for Formation of an EIM Governance Review
Committee

CAISO STAKEHOLDER PROCESS

June 11, 2019

The current and announced EIM Entities (PacifiCorp, NV Energy, Arizona Public Service Company, Puget Sound Energy, Portland General Electric Company, Idaho Power Company, Powerex, the Balancing Authority of Northern California, Los Angeles Department of Water and Power, Seattle City Light, Salt River Project and NorthWestern Energy) submit these joint comments on the *Draft Final Proposal for Formation of an EIM Governance Review Committee* (“Draft”) dated May 21, 2019.

The EIM Entities filed comments on April 29, 2019, in response to the initial publication of the CAISO (“ISO”) straw proposal to establish a temporary stakeholder committee that would consider potential revisions or refinements to the current governance for the Energy Imbalance Market (“EIM”). In a review of all the comments set forth in response to the straw proposal, and a review of the Draft, the EIM Entities agree that ISO struck the proper balance of all expressed interests, achieving a strongly communicated roadmap. The EIM Entities look forward to the next steps in forming the EIM Governance Review Committee (“GRC”).

Role of the Committee and Scope of Work

The EIM Entities appreciate the various topics identified in this stakeholder process as expressed in the comments to the initial straw proposal but agree with the ISO that these issues need not be explicitly enumerated in the charter to be in the purview of the GRC. The GRC will rely on stakeholder input in review of those governance-related issues identified thus far in this stakeholder process, and the flexibility to review governance-related issues that arise in their scope of work.

The EIM Entities also support the revised Section III.B of the draft Charter changing the timeline for the GRC to complete their scope of work from the estimated six to eight-month period, to an estimated six to twelve-month period. The revision provides a more realistic calendar for the GRC and stakeholders.

Process for Establishing Committee Membership

The EIM Entities endorse the approach the ISO took in moving the three GRC members representing the ISO Board, the EIM Governing Body, and the Body of State Regulators, respectively, into a non-voting advisory role. This allows these very important perspectives to be represented in the GRC but removes any conflict of interest that could arise as these members will ultimately be in a decisional role for enhancements and changes identified by the GRC.

Generally, the EIM Entities trust that the makeup of the 13 member GRC will achieve sector diversity across the Western Interconnection to foster the collaborative effort that commenters universally seek. To this end, the EIM Entities agree with the identification of a new sector representing *Pending New EIM Participants*, as it honors the experiential perspective of the current EIM Entities committed to the Western EIM through executed Implementation Agreements.

Conclusion

The EIM Entities thank the ISO for their careful consideration of all stakeholder input and endorse the new Draft.