



Organization	Submitter	Dated Received	Participant Question	CAISO Response
Power Costs, Inc.	Douglas Logan	01-Jan-07	It is of utmost importance for efficient and uninterrupted operation of the CAISO market that any changes in CAISO operations, interfaces, or calculations that may potentially affect participant operations, interfaces, or calculations be developed and implemented by CAISO in a way that allows full involvement by market participants in the design of the changes and appropriate lead time for participants and their system vendors to implement the changes. PCI strongly supports the adoption of a change management process with minimum timelines for review, comment, approval, and implementation of market changes that may require changes to market participant software, whether or not such changes entail business practice manual revisions.	California ISO agrees and thanks Power Cost for these comments.
Power Costs, Inc.	Douglas Logan	01-Jan-07	we urge that the development of change management rules not be limited to BPM changes. Change management must address any change potentially affecting market participant software, interfaces, or processes even if it does not entail a BPM revision.	California ISO agrees and thanks Power Cost for these comments.
Power Costs, Inc.	Douglas Logan	01-Jan-07	lead time between release by CAISO of final BPM revisions, technical interface specifications, or other documentation that may be needed by participants or vendors to implement the corresponding changes on the participant side, must not be less than one to two months. Any emergency process with a shorter lead time must be strictly defined to prevent use in non-emergency situations or other abuses.	California ISO agrees and thanks Power Cost for these comments.
Williams	Brian Theaker	15-Jan-07	When will the BPMs be locked down so that this process applies to prospective changes?	<p>Most feedback on this issue can be summarized as follows;</p> <ul style="list-style-type: none"> - BPM's must be reasonably complete first. - Knowing that some manuals will be less subject change and/or developed than others, locked down so that this process applies to prospective changes should be on a BPM by BPM basis. - Some believe lock down should be just before the start of MRTU and - Some believe CAISO should wait a few months after the start of MRTU knowing that adjustments will be necessary. This may require utilization of an interim or scaled version of the CM proposal as a bridge until the future process and platforms can be created. <p>Therefore, the California ISO seeks further customer feedback as to when the BPM change management process should be evoked and in place. This topic would be an appropriate topic for the FERC Technical conference.</p>
Williams	Brian Theaker	15-Jan-07	CAISO's general policy of making information available through its web site, which is beyond the scope of this process. I know the sentence says "at least" 180 days, but is the CAISO considering a policy in which materials would be made available on its web site only for a limited amount of time and then removed at some future date? I perceive that is not its current practice – that it posts everything from start-up. Maybe the second sentence should be deleted to avoid raising this question, unless the CAISO wants it raised.	California ISO should research this provision further. The 180 day availability of online information was not meant as a new CAISO policy limiting how long such postings remain on our web site. It was offered in this draft as a suggestion only. The CAISO's current thinking is that information should remain available, although older information will likely be archived.
Williams	Brian Theaker	15-Jan-07	To facilitate arranging travel, this group should probably meet on a given date – say the Nth [Weekday] of each month – or publish a meeting schedule a year in advance. I urge the CAISO to consider committing to posting the meeting materials a set number of days (5? 7?) in advance of the meeting.	California ISO agrees with stakeholders in this area. CAISO's intent of having a regularly scheduled monthly meeting was to facilitate better coordination of schedules between the California ISO and its customers.



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Williams	Brian Theaker	15-Jan-07	Trying to create a laundry list of who can submit PRRs. And in regards to 5 (a) and (b) – I can understand the CAISO's desire to not be inundated with PRRs from entities that have no interest in the change proposed, but is that restriction really necessary? If someone from Williams somehow found a mistake in the CRR BPM, would Williams be precluded from bringing this to the CAISO's attention if Williams had not been allocated any CRRs? Is the BPMCMG better suited to filter out any "hazing" PRRs, if indeed there are any?	CAISO's intent in this language was not to purposely limit any stakeholders' ability to comment on any PRR posted. The process will likely evolve based on actual experience and through submission of a PRR proposing in the event problems arise.
Williams	Brian Theaker	15-Jan-07	CAISO's section about emergency circumstances does not seem like a unreasonable provision, but it's full of undefined buzzwords. How would the CAISO define system "security" as differentiated from "reliability"? What is market "efficiency"? Given that this provision is likely to be a lightning rod anyway, can the CAISO be more specific about these things?	It is not likely to be possible to capture all possible emergency circumstances. The CAISO hopes that these will be rare and that there will likely be consensus on the need for more expedited action.
Williams	Brian Theaker	15-Jan-07	Is it possible that someone other than the CAISO could identify a BPM change that should be implemented on an emergency basis? How would that happen? Would they notify the CAISO, who would then implement the change on an emergency basis in accordance with the steps listed?	Yes, participants other than California ISO can identify BPM changes requiring emergency consideration. One enhancement to the process requires all participants [including the California ISO] use the same process to invoke consideration for action under emergency circumstances.
Williams	Brian Theaker	15-Jan-07	CAISO decides it needs an emergency change to a BPM. Does the urgent change automatically go into effect, and then the BPMCMG considers the PRR for the change after the fact at the next meeting? Or does the emergency change not go into effect until the BPMCMG chair calls a special meeting of the BPMCMG? Would the BPMCMG only hold a special meeting if a non-CAISO entity submits an urgent change request?	The process will depend on the nature of the emergency. It is reasonable to believe that on occasions emergency circumstances will necessitate changes that cannot be done under normal time constraints. We anticipate that this will be rare and infrequent. California ISO does not intend to a fast-track as a mechanism to abate stakeholder input, but rather, as a pragmatic necessity. Moreover, under such circumstances CAISO intends to engage with customers to determine whether or not the emergency change should remain in effect or whether other means should be considered and/or substituted. Special meeting may not be necessary considering change management meetings are prescheduled on a standing monthly basis, but when necessary special meetings would be held on regardless of whom requiring the emergency measures.
Williams	Brian Theaker	15-Jan-07	What if the BPMCMG Chair modifies the language in such a way that the party submitting the original PRR opposes the change? Granting this kind of unfettered editing power to the chair seems to have the potential to render the submittal process moot.	The description of the BPM change management chair, now referred to as coordinator, was to facilitate discussion. CAISO management will, necessarily, have more editorial control over language than market participants. Conceivably California ISO could morph the original requested language resulting in a PRR that is undesirable to its original owner. Therefore, the original submitter of the PRR can request to withdrawal unless another given party requests to be the new owner of the language. In such cases, the suggesting party will be adopting the language for their own. This does not foreclose on the original owners ability to appeal such developments as well.



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Williams	Brian Theaker	15-Jan-07	Requiring the CAISO to perform an evaluation of the impact of the PRR for every PRR that comes in – including, potentially, goofy ones – may not be reasonable. Is there a way to triage the initial PRRs and then determine which PRRs warrant evaluation? Or is the CAISO OK with performing initial impact evaluations on all submitted PRRs?	CAISO agrees that some PRRs will not require impact evaluations. Some might need some form of objective criteria to measure its true impacts and other not. Requests shall range such as; <ul style="list-style-type: none"> - Clarification of language - Grammatical in nature - Meaningful impacts to California ISO markets - Meaningful impacts to market participants It is the intent to triage requests into generic categories before the regularly scheduled monthly participant meeting to determine the scope of the request and its potential requirements.
Williams	Brian Theaker	15-Jan-07	the role and authority of the BPMCMG Chair relative to the BPMCMG as a whole. The first sentence says the group Chair will [unilaterally] review the IA at the next regularly scheduled BPMCMG meeting. If that authority resides solely in the Chair, why wait to the next meeting? The presentation makes clear that the role of the BPMCMG is still under consideration, but this language doesn't seem to hold out much of a meaningful role for anyone other than the Chair.	The intent of BPM Change Management Process is to facilitate the exchange of ideas and information regarding maintenance and modifications to CAISO's BPMs in as transparent a way as possible so that decisions can be made in light of all relevant information and in consideration of the affect of proposed changes on Market Participants. Furthermore, a record should be built recording customer's positions offering a history of how decisions were developed. But, if stakeholders cannot come to consensus the California ISO by default is left in a position as the decider amongst competing alternatives. For that very reason, we encourage stakeholders to reach consensus rather than having the ISO be the arbitrator of the final decision. The BPM process now includes the right to appeal to an Executive Committe and staekhodlers can always raise issues of concern to the Board.
Williams	Brian Theaker	15-Jan-07	Does this mean that the BPMCMG might take on a responsibility to revise proposed language? What if the request is revised in a way that isn't supported by the original party that submitted the PRR? Should that trigger a withdrawal of a PRR and a resubmittal of a new PRR by the CAISO? Should the BPMCMG have a binary role – reject or approve?	Conceivably, as participants [including CAISO] offer inputs throughout the process the original PRR and/or requested language can evolve leaving the original modified undesirable to its original owner. Therefore, the original submitter of can request to withdrawal the PRR unless another given party requests to be the new owner/sponsor of the language. This does not foreclose on the original PRR owner ability to appeal such developments.
SCE	David Schiada	26-Jan-07	SCE is encouraged by the CAISO's Straw Proposal. The Straw Proposal would establish a formal stakeholder process for BPM changes, something that was absent from the CAISO's MRTU Tariff filing.	California ISO appreciates stakeholders' statements and support in the further development of the change management protocols.
SCE	David Schiada	26-Jan-07	SCE supports the Straw Proposal's recommendation that the CAISO use the same process as stakeholders to request BPM changes.	California ISO believes transparency includes the CAISO subject ourselves to the same process. This represents a cultural change to the California ISO's business processes. California ISO appreciates market participants' recognition of this transformation.
SCE	David Schiada	26-Jan-07	SCE also supports the Straw Proposal's allowance of BPM changes to be reviewed and approved by the CAISO Board if necessary and the accelerated process for changes necessary due extenuating circumstances.	California ISO appreciates stakeholders support for an accelerated processes used on a case-by-case basis and the pragmatic recognition that not all BPM changes necessitate board review. However the CAISO notes that the current proposal does not expressly provide a role fore the Board and believes that the kinds of changes likely to be made to BPMs are not the kinds of issues that should rise to the level of Board consideration.



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SCE	David Schiada	26-Jan-07	SCE supports the non-voting structure of the BPM Change Management Group, at least for initial implementation. The issue of stakeholder committee voting rights has been previously debated at the CAISO and, to date, there has not been a proposal that has been able to satisfy various stakeholder interests. SCE does not believe it would be appropriate to try to develop a formal stakeholder committee voting structure as part of the establishment of a BPM change management process.	<p>California ISO believes a using segments and voting structures offers a more conflict-ridden arrangement than other viable options and the CAISO is no longer considering developing a structured process at this time. At the end of the BPM stakeholder sessions held in the summer of 2006, many customers made a very strong expression of support to continue the open robust process used at that time. California ISO believes using segments is fundamentally flawed and has concerns about;</p> <ul style="list-style-type: none"> - The number of segments, - Categories of segments, - Who could populate segments - Whether entities can be adequately covered by any single segment. <p>A broad category of customers [IOUs, Municipalities, Generators, Marketers, Load Service and others] have already stated a deep concern about the potential of being cut out of the process by being funneled into the customer class or segment. California ISO believes it can accurately record participants' positions, issues, concerns and objections forming a historic record much like federal regulators do today.</p>
SCE	David Schiada	26-Jan-07	While the proposal appears workable after MRTU is operational, it does not appear workable for the period prior to MRTU implementation. There will likely need to be a different process to incorporate changes that are identified during market simulation. In addition, SCE believes the details of the change management process (e.g. PRR forms, timing, committee meeting frequency, etc.) would benefit from discussion at a stakeholder meeting.	California ISO will continue to work with stakeholders to develop an interim process before the more elaborate change management process goes in effect for all the BPM's. California ISO looks forward to continued work with stakeholders in development of PRR forms, timing, meeting frequency and other tools necessary to ensure the process works for all participants in a fair and transparent fashion.
SCE	David Schiada	26-Jan-07	It appears that the formal BPM change management process would not be implemented until after MRTU implementation. SCE expects that there will need to be changes to the BPMs prior to MRTU start-up, particularly to incorporate feedback from the market simulations. The CAISO should work with stakeholders to develop a methodology to incorporate BPM changes that are necessary based on "lessons learned" from market simulations. One approach for consideration would be to use a process like the Joint Application Design (JAD) sessions that were used for Phase 1B to identify and incorporate changes to BPMs based on market simulation findings.	California ISO agrees and looks forward to working with stakeholders developing an interim process before the full-blown BPM change management process becomes effective.
SCE	David Schiada	26-Jan-07	From Settlements perspective, due to the large volume of calculation details published in the Settlements BPM, there will be likely be requests to the CAISO for corrections or further clarifications, both prior and post MRTU production date. It may be necessary to develop an expedited process to incorporate these changes rather than using the more formal PRR process, particularly prior to MRTU start-up. Changes accepted under this expedited process could then be released to stakeholders prior to the release of a new version of the entire BPM.	California ISO agrees that the development of an interim process to incorporate rapid changes in the beginning of the MRTU evolution is necessary. This may require utilization of a temporary or scaled version of the CM proposal as a bridge until the future process and platforms can be created. California ISO continues to look for further feedback in this area from stakeholders and looks forward to working with stakeholders in furthering such developments.
SCE	David Schiada	26-Jan-07	Based on input from stakeholders, the CAISO should make necessary modifications to its December 1 BPM change management proposal. The CAISO should then issue a revised BPM Change Management Straw Proposal at least two weeks prior to having a stakeholder meeting to discuss the proposal (see next comment for timing of stakeholder meeting). SCE recommends that the proposal be in the form of a White Paper rather than Tariff language at this stage (or have Tariff language supplement the White Paper).	California ISO appreciates this recommendation. The CAISO will be proposing modifications to both the draft tariff language and the draft BPM for BPM Changemanagment prior to the May 2 filing of additional tariff language with FERC in compliance with P 1370 of the Sept. 21 MRTU order.



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SCE	David Schiada	26-Jan-07	CAISO should conduct a stakeholder meeting to review the revised BPM change management proposal. This meeting should take place no later than three weeks prior to the completion of the BPM stakeholder process (April 2). This will allow the CAISO to incorporate stakeholder feedback prior to the conclusion of the BPM stakeholder process.	BPM Change Management stakeholder input will not in fact "end" on April 2, 2007. Most BPMs substantially developed but could still be reviewed as a result of further stakeholder comments and useful in events such as MRTU Market Simulation. CAISO seeks stakeholder input and to be compliant in accordance with Paragraphs 1370 and 1371 of September 21, 2006 MRTU Order. The CAISO will be seeking authority from the Board to file enabling tariff language to support the change management process but will continue to work with stakeholders on the specific details of the process to be included in the change management BPM.
SCE	David Schiada	26-Jan-07	After receiving stakeholder input, the CAISO should draft tariff language detailing its BPM change management process and file that tariff language with FERC on May 2 as part of the tariff filing to address BPM issues.	California ISO shall publish revised BPM tariff language and the BPM change management document for further stakeholder review prior to the May 2, 2007 filing to the FERC. CAISO shall continue to seek further customer input.
SCE	David Schiada	26-Jan-07	The BPM change management process should be an agenda item at the BPM technical conference to be held in June or July.	Once FERC schedules a technical conference [anticipated for June or July 2007], it is reasonable that FERC might include BPM change management process as a part of its technical conference and the CAISO does not oppose this suggestion.
BPA	Don Wolfe	30-Jan-07	Make it easy for participants in the process to be able to find their proposed change and stay up to date on its progress and any analysis or commentary that the process generates.	California ISO anticipates utilizing a new web-based BPM change management process for customers to follow and track issues in a more user-friendly manner similar to what is used in other ISO's.
BPA	Don Wolfe	30-Jan-07	In MRTU comments, my experience has been that my comments go into a vast collection of comments, categorized by CAISO staff, and I need to recognize my comment in many pages of a comment matrix, because it doesn't have my name or organization on it, and there is no process for the people keeping the matrix to notify me when there is a response. So to find out the CAISO response, I have to keep checking the posted matrix from time to time.	California ISO has recently changed its format for BPM Stakeholder Questions and ISO Responses allowing participants to find the status of all comments received. California ISO now publishes "red-lines" of re-drafted BPM's and tariff language when posted to CAISO website. California ISO anticipates using a much more user-friendly web-based system in the future which are similar to that used in other ISOs. CAISO seeks feedback from customers as to the usefulness of its current changes.
BPA	Don Wolfe	30-Jan-07	This is broader than change management - I hope the final product really fits the term "manual" which in the dictionary is supposed to be a small handbook of instructions. If it doesn't explain what actions to take, in logical order, then market participants will be asking for another reference that does the job. Make it truly user-friendly, and try not to overload it with technical background or the rationale for MRTU or particular features. Keep asking "How does this help market participants to know what they need to do?" and avoid material that doesn't help	Change management BPM is different from other BPM's and is anticipated to be developed as more user-friendly means by which customers can engage in the process.
Williams	Brian Theaker	27-Mar-07	The most disconcerting aspect of the CAISO's proposed BPM Change Management process remains that, while the CAISO is required by proposed tariff section 22.11.1.1 to submit a revision request through the same channel as market participants (except in "emergency circumstances" as provided in section 22.11.1.2), and while the BPM for BPM Change Management sets forth a proposed "due process" regarding such requests, the CAISO BPM Change Management Coordinator retains sole, unilateral discretion regarding whether to implement, reject or modify any proposed change. Given that the process for change management is itself contained not in the tariff but in a BPM (which Williams finds troubling), this unilateral authority could conceivably be used to change the change management process itself, as long as the CAISO submits a revision in accordance with section 22.11.1.1.	The intent of BPM Change Management Process is to facilitate the exchange of ideas and information regarding maintenance and modifications to CAISO's BPMs in as transparent a way as possible so that decisions can be made in light of all relevant information and in consideration of the affect of proposed changes on Market Participants. Furthermore, a record should be built recording customer's positions offering a history of how decisions were developed. But, if stakeholders cannot come to consensus the California ISO by default is left in a position as the decider amongst competing alternatives. For that very reason, we encourage stakeholders to reach consensus rather than having the ISO be the arbitrator of the final decision.



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Williams	Brian Theaker	27-Mar-07	Unilateral authority of the BPM Change Manager Coordinator, which is set forth in BPM for CM Section 2.4.8, is not mentioned in the benign description of the BPM Change Management Coordinator in BPM for BPM CM Section 2.2.	The BPM Coordinator will be an CAISO employee representing CAISO management. CAISO will have more control over the pen than other market participants, but will be representing management.
Williams	Brian Theaker	27-Mar-07	BPM for BPM CM makes no mention of appealing a decision of the BPM Change Management Coordinator to the CAISO Board of Governors, but only to a CAISO officer committee.	The current BPM for BPM change management includes the right to appeal to an Executive Committee and does not expressly allow for an appeal to the Board. The CAISO believes that BPMs that contain implementation detail are properly within management's responsibility. Stakeholders are always free, however, to raise any concerns they may have to the Board.
Williams	Brian Theaker	27-Mar-07	CAISO has proposed a BPM Change Management process which may, on the surface, appear to provide due process but which ultimately provides no assurance that the CAISO cannot or will not take unilateral action to the detriment of its market participants.	The intent of BPM Change Management Process is to facilitate the exchange of ideas and information regarding maintenance and modifications to CAISO's BPMs in as transparent a way as possible so that decisions can be made in light of all relevant information and in consideration of the affect of proposed changes on Market Participants. Furthermore, a record should be built recording customer's positions offering a history of how decisions were developed. But, if stakeholders cannot come to consensus the California ISO by default is left in a position as the decider amongst competing alternatives. For that very reason, we encourage stakeholders to reach consensus rather than having the ISO be the arbitrator of the final decision.
TANC	Shawn Matchim	27-Mar-07	When should the BPM's be tied down so the Change Management Process can begin	<p>Most feedback on this issue can be summarized as follows;</p> <ul style="list-style-type: none"> - BPM's must be reasonably complete first. - Knowing that some manuals will be less subject change and/or developed than others, locked down so that this process applies to prospective changes should be on a BPM by BPM basis. - Some believe lock down should be just before the start of MRTU and - Some believe CAISO should wait a few months after the start of MRTU knowing that adjustments will be necessary. This may requires utilization of an interim or scaled version of the CM proposal as a bridge until the future process and platforms can be created. <p>Therefore, the California ISO seeks further customer feedback as to when the BPM change management process should be evoked and in place.</p>
TANC	Shawn Matchim	27-Mar-07	PG&E representative even mentioned "grandfathering" certain matters that should not be subject to the future BPM Change Management Process. Is the issue here that not all matters pertaining to the BPMs will be hammered out by the time MRTU goes live and the CAISO is looking for feedback from stakeholders on how to address the modifications that will be needed to the BPMs (i.e. With or without going through the Change Management Process).	Some issues in the BPM are not covered at length because they are still subject to stakeholder processes and clarifications. There are two BPMs in particular that will need more work than others: CRR and Reliability Requirements BPM. The California ISO could be clearer on what potential grandfathering issues might entail that are already covered under contracts or articulated in the MRTU design itself.



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CPUC	Larry Chaset	30-Mar-07	<p>Last September, the CPUC Staff commented on an earlier version of this BPM. At that time, we expressed the concerns that the options presented in the CAISO's straw proposal BPM on Change Management Processes lacked transparency, representation and equity, could be perceived to be inconsistent with regulated tariffs and with CPUC and State policies, and appeared not to be in conformity with nationwide best practices for RTOs/ISOs.</p> <p>We are pleased to note that the CAISO's most recent version of this proposed BPM appears to address some of the key concerns that we noted last September. For example, some of the features of this latest draft, such as a web-based Protocol Revision Request (PRR) submission system, mark real improvements in efficiency and transparency. Also, the proposed monthly Change Management stakeholder meetings would appear to play a useful role in managing a meaningful public process for changing BPMs. However, the CPUC Staff believes that the Change Management BPM requires significant further revision in order to improve the administration of BPM change decisions.</p>	<p>California ISO appreciates support from stakeholders and regulators in this area. We endeavor to improve the process as we go along utilizing stakeholder input. The CPUC has been valuable part of this process throughout. We encourage the CPUC to continue offering the California ISO its advice and input.</p>
CPUC	Larry Chaset	30-Mar-07	<p>The Order does not explicitly state that this process must provide a voting mechanism for stakeholders or that if there is such a voting mechanism, how voting sectors would be defined.</p>	<p>The September 21, 2006 Order does not explicitly require the CAISO utilize a voting mechanism for stakeholders. California ISO believes a using segments and voting structures offers a more conflict-ridden arrangement than other viable options.</p> <p>At the end of the BPM stakeholder sessions held in the summer of 2006, customers made a very strong expression of support to continue the open robust process used at that time. California ISO believes using segments is fundamentally flawed and has concerns about;</p> <ul style="list-style-type: none"> - The number of segments, - Categories of segments, - Who could populate segments - Whether entities can be adequately covered by any single segment. <p>On this issue the CPUC is the only clear voice advocating voting segments. A broad category of customers [IOUs, Municipalities, Generators, Marketers, Load Service and others] have already stated a deep concern about the potential of being cut out of the process by being funneled into the customer class or segment. California ISO believes it can accurately record participants' positions, issues, concerns and objections forming a historic record much like federal regulators do today. The CAISO be</p>
CPUC	Larry Chaset	30-Mar-07	<p>The most recent version of the Change Management BPM does provide for stakeholder input at several points during the process of evaluating a PRR, but there is no formalized mechanism to solicit stakeholder approval of a given PRR, and there is a very vaguely defined appeals process.</p>	<p>California ISO will add detail to its next revision making it clear how stakeholder input is gathered and shared with the public in a transparent fashion. California ISO is encourage that the process being offered is transparent and utilizes one similar to the FERC were all stakeholders positions are restated as a means to capture the history of the process and how decisions are ultimately developed.</p>



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CPUC	Larry Chaset	30-Mar-07	<p>CPUC Staff continues to believe (as we did last September) that rather than relying on CAISO staff to manage the BPM change management process, the CAISO should establish a formal stakeholder process, much like those currently in effect in other RTOs/ISOs, including ERCOT, PJM and the New York ISO, that can oversee the Change Management process, as well as to provide formal guidance to the CAISO's Board and management on other important CAISO functions that directly affect those stakeholders.</p>	<p>At the end of the BPM stakeholder sessions held in the summer of 2006, customers made a very strong expression of support to continue the open robust process used at that time. California ISO believes using segments is fundamentally flawed and has concerns about;</p> <ul style="list-style-type: none"> - The number of segments, - Categories of segments, - Who could populate segments - Whether entities can be adequately covered by any single segment. <p>California ISO's proposal is a hybrid of what other ISO's are doing as it pertains to stakeholder processes. Moreover, it takes into consideration the actual process used during the BPM developments in the summer of 2006. The ISO believes that the current BPM change management proposal reflects those suggestions.</p>
CPUC	Larry Chaset	30-Mar-07	<p>Neither the current proposed Change Management BPM, nor the associated proposed tariff language, provides market participants and other key stakeholders with real decision making power or formal access to the Board in the event of unresolved issues relating to PRRs.</p>	<p>The intent of BPM Change Management Process is to facilitate the exchange of ideas and information regarding maintenance and modifications to CAISO's BPMs in as transparent a way as possible so that decisions can be made in light of all relevant information and in consideration of the affect of proposed changes on Market Participants. Furthermore, a record should be built recording customer's positions offering a history of how decisions were developed. But, if stakeholders cannot come to consensus the California ISO by default is left in a position as the decider amongst competing alternatives. For that very reason, we encourage stakeholders to reach consensus rather than having the ISO be the arbitrator of the final decision. CAISO continues to investigate methodologies by which appeals can be facilitated before requiring Board review. Future BPM change management revisions hopefully shall reflect the concerns raised here.</p>
CPUC	Larry Chaset	30-Mar-07	<p>Although it might be perceived by some to be "inefficient" to establish formal stakeholder sectors that can consider and make formal recommendations on matters like PRRs, it is standard practice in the world of grid reliability organizations (as it is at NERC, WECC and most of the other RTOs/ISOs) to rely on the formal recommendations reflecting the input from all market sectors.</p>	<p>The September 21, 2006 Order does not explicitly require the CAISO utilize a voting mechanism for stakeholders. California ISO believes a using segments and voting structures offers a more conflict-ridden arrangement than other viable options.</p> <p>At the end of the BPM stakeholder sessions held in the summer of 2006, customers made a very strong expression of support to continue the open robust process used at that time. California ISO believes using segments is fundamentally flawed and has concerns about;</p> <ul style="list-style-type: none"> - The number of segments, - Categories of segments, - Who could populate segments - Whether entities can be adequately covered by any single segment. <p>On this issue the CPUC is the only clear voice advocating voting segments. A broad category of customers [IOUs, Municipalities, Generators, Marketers, Load Service and others] have already stated a deep concern about the potential of being cut out of the process by being funneled into the customer class or segment. California ISO believes it can accurately record participants' positions, issues, concerns and objections forming a historic record much like federal regulators do today. The CAISO bel</p>



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CPUC	Larry Chaset	30-Mar-07	CPUC Staff is concerned that unique sector interests can easily be overlooked if left undefined in connection with something that will be as crucial to the CAISO's long-term operations as a BPM Change Management process.	California ISO is optimistic that customers' issues will be treated in a meaningful fashion by utilizing a process similar to that of the FERC rather than being registered through segment votes.
CPUC	Larry Chaset	30-Mar-07	Change Management BPM should be revised to require that the Change Management Coordinator must base his/her decisions and recommendations on any PRR on input obtained from five (5) defined Energy Sectors: Transmission Owners, Generation Owners, Wholesale Customers, State Agencies and Power Marketers.	California ISO believes that getting segments "right" is a challenge. History shows that customer segments can proliferate into larger and larger numbers for participants who feel their concerns cannot be covered within the segment being offered. California ISO believes requiring all entities to agree on one course of action through Committee structures/segments will substantially weaken market participants' ability to effectively participate in the BPM process. Accordingly, the CAISO has decided to improve the existing stakeholder process.
CPUC	Larry Chaset	30-Mar-07	Change Management Coordinator's formal decision on a given PRR should be required to specify the input gathered from each of these sectors. The CAISO's good faith efforts to solicit stakeholder input on PRRs do not necessarily guarantee that this input will become the grounds for actual decision making. Thus, both the proposed Change Management BPM, as well as the associated proposed tariff language, should be revised to provide for a more formal role for such stakeholder sectors.	The intent of BPM Change Management Process is to facilitate the exchange of ideas and information regarding maintenance and modifications to CAISO's BPMs in as transparent a way as possible so that decisions can be made in light of all relevant information and in consideration of the affect of proposed changes on Market Participants. Furthermore, a record should be built recording customer's positions offering a history of how decisions were developed. But, if stakeholders cannot come to consensus the California ISO by default is left in a position as the decider amongst competing alternatives. For that very reason, we encourage stakeholders to reach consensus rather than having the ISO be the arbitrator of the final decision.
CPUC	Larry Chaset	30-Mar-07	Change Management BPM is silent on the make-up of the "officer committee" that is responsible for handling appeals of the Change Management Coordinator's decision on a given PRR, and, more importantly, does not provide for an ultimate appeal by a dissatisfied stakeholder to the CAISO's Board of Directors. This is, in the view of the CPUC Staff, a glaring omission.	California ISO will seek to give further clarification in this area in its next revision on the nature of the officer committee. The CAISO does not intend to add a specific appeal right to the Board as it belives that the business details in the BPM are within management's area of responsibility. Of course, any proposed change that is not supported by adequate tariff language, requires a tariff amendment and Board authorization.
CPUC	Larry Chaset	30-Mar-07	PRR could initiate changes that could affect certain stakeholders, or a category of stakeholders, in detrimental ways. Such rare, but controversial, PRRs must be subjected to the scrutiny of the CAISO's Board of Directors in a public meeting. Reliance on an "officer committee" acting behind closed doors to resolve appeals, even though the ultimate decision of that committee would be published, does not satisfy the due process rights of stakeholders whose interests could be directly and adversely affected by a given PRR.	In the next revision we will provide more detail on the ISO Officer Committee appeal function.
CPUC	Larry Chaset	30-Mar-07	Although there is a requirement for publication of the Change Management Coordinator's final decision on a PRR, there is no requirement that there be any formal record of the "officer committee's" review of an appeal of a PRR, other than that this committee "shall issue a decision within 21 Business days." Should the CAISO determine to retain this appeal to an "officer committee," the CPUC Staff believes that there needs to be a public record of that committee's deliberations on which the CAISO's Board of Governors (Board) and, potentially, FERC would base their decisions on a given PRR in the event that such change is challenged by any of the CAISO's stakeholders.	In the next revision we will provide more detail on the ISO Officer Committee appeal function.



Organization	Submitter	Dated Received	Participant Question	CAISO Response
CPUC	Larry Chaset	30-Mar-07	<p>Change Management BPM relies on a process that may be initiated by stakeholders, but which is entirely managed by the CAISO staff. The establishment of monthly stakeholder BPM meetings should have a useful role in providing input on proposed or potential PRRs, but the CAISO should go one step further, and provide for the use of ad hoc working groups, to be staffed by stakeholder volunteers, to work on specific PRRs that would appear to be problematic or potentially controversial. Such ad hoc working groups are likely to be especially adept – and efficient – at gathering input from all affected sectors. Accordingly, both the Change Management BPM and the associated tariff language should be revised to include a defined trigger to remand certain PRRs to an appropriate working group, when and if the initial comments on that PRR as well as a process by which market participants may request such an analysis in the event that a PRR is not assigned to a working group.</p>	<p>California ISO agrees that working groups will be a very useful role in the stakeholder process and working groups be formed on ad hoc basis utilizing the special adept talents of those willing to volunteer.</p>
CPUC	Larry Chaset	30-Mar-07	<p>CAISO will review all PRRs for completeness within 10 business days of receipt. This is fine as far as it goes, but the CPUC Staff recommends that during this initial review period, the CAISO should also review each submitted PRR to make sure that it is based on accurate information. This initial verification by the CAISO that a given PRR is accurate should facilitate the subsequent stakeholder review of the PRR.</p>	<p>As part of the PRR process, California ISO will be reviewing submissions for completeness and reasonable accuracy of information given. Deficient PRRs require further processing before posting.</p>
CPUC	Larry Chaset	30-Mar-07	<p>CPUC Staff would prefer a true stakeholder-driven process, and we encourage the CAISO to renew talks with its stakeholders towards the implementation of a formal sector-based stakeholder process similar to those employed at all other ISO/RTOs nationwide.</p>	<p>California ISO expects further talks with stakeholders necessary for the implementation of the Change Management process. ISO believes utilizing a process similar to that of the FERC will provide a formal means by which to capture stakeholders' positions and inputs.</p> <p>California ISO believes that getting segments "right" is a challenge. History shows that customer segments can proliferate into larger and larger numbers for participants who feel their concerns cannot be covered within the segment being offered. California ISO believes requiring all entities to agree on one course of action through Committee structures/segments will substantially weaken market participants' ability to effectively participate in the BPM process.</p>