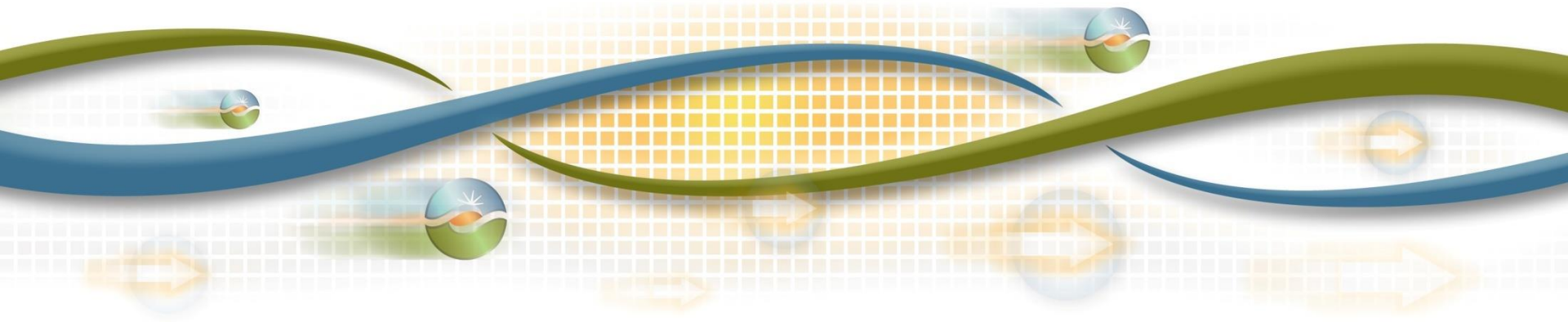


Regional Integration Update

October 18, 2016

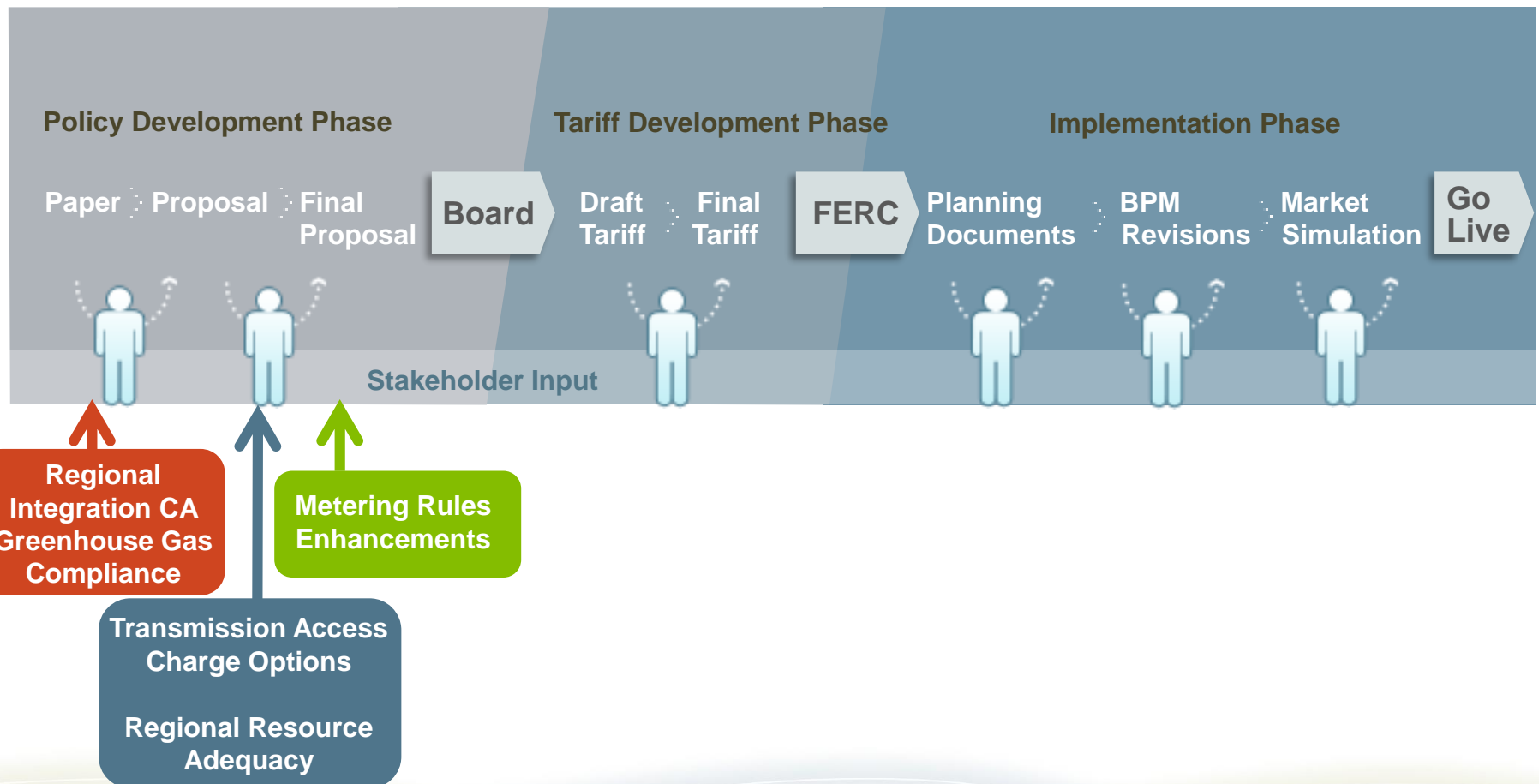


Agenda

Topics	Presenter
Stakeholder initiatives update	Virginia Thompson
SB350 studies update	Virginia Thompson
SB350 governance activities update	Virginia Thompson
Online Resources	Virginia Thompson
Questions	Kristina Osborne

ISO Stakeholder Engagement Process

This diagram represents the typical process, often phases will run in parallel.



Current Stakeholder Initiatives - Regional

Transmission Access Charge Options

The current transmission access charge is a two-part rate for each megawatt hour of internal load and exports and is used to recover transmission revenue requirements. Revenue requirements for facilities rated 200 kV and above are recovered through a system-wide rate, while requirements for facilities rated below 200 kV are recovered via specific rates for each participating transmission owner. This initiative considers if the same structure would be appropriate should a transmission owner with a load service territory join the ISO as a participating transmission owner. This initiative began with an issue paper in late October 2015.

Upcoming activities:

- October 28 – stakeholder comments are due on 2nd Revised Straw Proposal
- November 16 - ISO transmission planning workshop in Folsom, CA
 - Overview of Transmission Economic Assessment Methodology (TEAM)
 - Please note: this date has been updated since the ISO's presentation on Regional Stakeholder Initiatives at the CEC's Regional Grid Operator and Governance Workshop on October 17
- Early December - draft final proposal targeted

<http://www.caiso.com/informed/Pages/StakeholderProcesses/TransmissionAccessChargeOptions.aspx>

Current Stakeholder Initiatives – Regional

Regional Resource Adequacy

This initiative evaluates whether the existing resource adequacy tariff provisions are appropriate for use in a regional ISO balancing authority area that encompasses multiple states. This initiative began with an issue paper in early December 2015.

Upcoming activities:

- October 27 - stakeholder comments are due on 3rd Revised Straw Proposal
- Early December - draft final proposal targeted

<http://www.caiso.com/informed/Pages/StakeholderProcesses/RegionalResourceAdequacy.aspx>

Note: These dates are tentative until confirmed by a market notice

Current Stakeholder Initiatives – Regional

Greenhouse Gas Compliance

This initiative will determine how costs for generation to comply with California's greenhouse gas (GHG) regulations will be treated in the ISO's integrated forward market (IFM). The energy imbalance market currently has a methodology that enables generation resources to include GHG compliance costs in their offers to supply California load. Similar provisions must be developed for the IFM to address GHG compliance costs for new participating transmission owners outside of California. This initiative began in late August 2016.

Upcoming activities:

- October 27 – stakeholder comments are due on the October 13 technical workshop
- November 10 – ISO will post a Straw Proposal
- November 17 – ISO will host a stakeholder meeting in Folsom, CA

<http://www.caiso.com/informed/Pages/StakeholderProcesses/RegionalIntegrationCaliforniaGreenhouseGasCompliance.aspx>

Note: These dates are tentative until confirmed by a market notice

Current Stakeholder Initiatives – Regional

Metering Rules Enhancements

This initiative will review existing metering requirements and propose possible revisions to accommodate the growth in renewables, energy storage and distributed energy resources; technology advancements, developer interest in new and complex metering configurations; expansion of regional markets through the energy imbalance market; and, the potential integration of other balancing authority areas into the ISO balancing authority area.

Upcoming activities:

- TBD – ISO will post a Revised Draft Final Proposal
 - provide clarity based on comments on second supplement

<http://www.caiso.com/informed/Pages/StakeholderProcesses/MeteringRulesEnhancements.aspx>

Note: These dates are tentative until confirmed by a market notice

SB 350 update on upcoming activities

Study Work:

SB 350 study work is complete and was submitted to Governor Brown (CA) on September 15, 2016.

Data and information related to the Senate Bill 350 studies are available directly on the ISO's [Regional Energy Market](#) webpage.

See submitted comments on CEC website at:

<https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=16-RGO-01>

Market notice regarding SB 350 Studies Package Sent to Governor:

<http://www.caiso.com/Documents/SB350StudiesCompleted-Sent-Governor.html>

SB 350 governance modifications

Governance Work:

A 2nd Revised Proposal for Principles for Governance of a Regional ISO and a discussion paper on Potential Topics within the Primary Authority of the Western States Committee were presented on October 17 at a CEC workshop in Sacramento

Upcoming activities:

- October 31 – stakeholder comments are due on the two papers mentioned above
 - The ISO has provided a comments template for each paper; stakeholders are encouraged to use these templates to help structure their comments.
 - The ISO also provided a summary of stakeholder comments and ISO responses to the July 15 revised governance proposal

- TBD – The ISO will revise and post one or both of the aforementioned papers

For more information and audio recordings of past meetings, visit the CEC website at:

http://www.energy.ca.gov/sb350/regional_grid/documents/index.html

Additional information is also available on the ISO website at:

<http://www.caiso.com/Pages/documentsbygroup.aspx?GroupID=468800D9-7E24-4CDE-8E3F-9D1ACD2376B7>

Online Resources

Regional Integration Resources on the ISO Website:

www.caiso.com

Regional energy market webpage

<http://www.caiso.com/informed/Pages/RegionalEnergyMarket/BenefitsofaRegionalEnergyMarket.aspx>

Stakeholder processes webpage

<http://www.caiso.com/informed/Pages/StakeholderProcesses/Default.aspx>

Stakeholder initiative milestone document

<http://www.caiso.com/Documents/StakeholderInitiativeMilestones.pdf>

ISO public calendar

<http://www.caiso.com/Pages/Calendar.aspx?IsDlg=true>

Other ways to stay informed:

Download *ISO Today* App



Follow us on Twitter and Facebook



Subscribe to ISO Market Notices

Contacts

Please send questions and topic suggestions to
Regionalintegration@caiso.com

Join us for the next regional integration update on November 1, 2016. (See calendar on ISO's website for web conference details.)