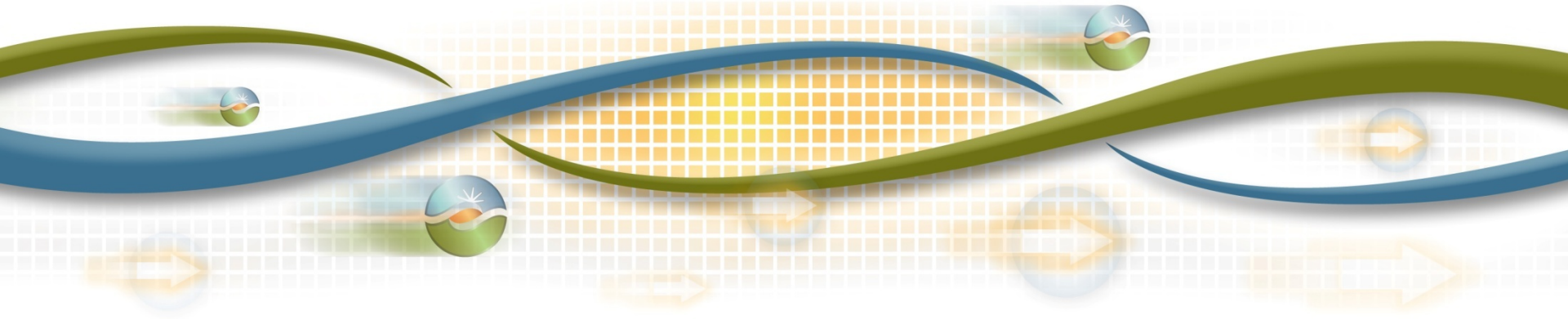




Decision on EIM Governing Body – Slate and Terms

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on behalf of the EIM Nominating Committee

Board of Governors Meeting
General Session
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Selection policy for the EIM Governing Body

- EIM Governing Body is a five-member body that exercises delegated authority over the rules of the ISO's western energy imbalance market
- Selection process was proposed by the EIM Transitional Committee in August, 2015, and the resulting policy was approved by the ISO Board in December 2015
- Policy provides that Members of the EIM Governing Body be selected by a Nominating Committee comprised of certain stakeholder representatives

The Nominating Committee consists of representatives from stakeholder sectors or groups

- Comprised of eight members
 - EIM Entities
 - Participating Transmission Owners
 - Publicly-Owned Utilities
 - Suppliers/Marketers of Generation
 - Body of State Regulators
 - EIM Transitional Committee (initial selection, then EIM Governing Body)
 - ISO Board of Governors
 - Public Interest or Consumer Advocate Groups

With direction by the Nominating Committee, the executive search firm identified qualified candidates

- Candidates must:
 - be independent of entities that participate in the ISO market, including EIM;
 - have broad experience in:
 - the electric industry
 - markets
 - general corporate/legal/financial;
 - possess a proven reputation for excellence in their areas of expertise;
 - uphold an obligation to promote success of EIM and ensure that interests of all market participants are represented
- Governing Body should be diverse - geographically and in expertise

EIM Governing Body initial slate - mission accomplished!

- Nominating Committee reached consensus on slate of nominees to present to the ISO Board of Governors
- Slate is the product of months of coordination between EIM Nominating Committee members, their respective sectors, the executive search firm and the ISO
- Similar to the experience of the EIM Transitional Committee, the work of the EIM Nominating Committee was balanced and consensus-driven, with the goal of identifying a slate that met the directives of the EIM Transitional Committee

EIM Governing Body slate of candidates

- Val Fong
- Doug Howe
- Carl Linvill
- John Prescott
- Kristine Schmidt

Approval of Slate of Nominees

- Initial slate is subject to approval by ISO Board
 - Subsequent slates will be subject to approval by the EIM Governing Body
- Terms of office for Members of the EIM Governing Body are three years, except for the initial terms of the first members.
- EIM Transitional Committee's final proposal, as approved by the Board on September 17, 2015, recommended that initial terms should be staggered "by chance."
- Terms will start July 1st and end on June 30th
- Three-term maximum

Assignment of terms

- The Nominating Committee recommends that the ISO Board draw names during the Board meeting at which the slate is approved
- First name drawn = one year term
- Next two names drawn = two year terms
- Remaining two names = three year terms