

## Memorandum

**To:** ISO Board of Governors  
**From:** Douglas Howe, Chair, EIM Governing Body  
**Date:** July 19, 2017  
**Re:** **EIM Governing Body Chair update**

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***This memorandum does not require Board action.***

### **Western Energy Imbalance Market Meeting Summary: July 13, 2017**

The Western Energy Imbalance Market Governing Body met in Folsom, California on July 13, 2017. The following is a summary of the items on the agenda.

Body of State Regulators update: BOSR Chair Ann Rendahl gave an update on the BOSR's discussions at its June 26 meeting and noted that there are currently meetings planned for August 21, and September 25.

Regional Issues Forum update: RIF Chair Tony Braun described RIF's re-evaluation efforts culminating in updates to the Charter for Energy Imbalance Market Governance as well as updates to RIF's Operating Guidelines. Amendments to the Charter for Energy Imbalance Market Governance resulting from the RIF re-evaluation efforts were unanimously approved by the Governing Body. Chair Braun noted that he completed a year as Chair of the RIF and that Cameron Yourkowski will be the RIF Chair for the upcoming year.

Aliso Canyon gas-electric coordination phase 3: This item is partially advisory and partly decisional for the EIM Governing Body. Following a presentation by staff, a number of questions were raised regarding the extension of mitigation measures to areas outside of California related to the ISO's ability to validate that a physical gas constraint is occurring that triggers the mitigation measures. Staff responded that it would be able to validate the gas constraint and would be developing procedures and rules to ensure such validation. Staff also indicated it would return to the Governing Body with an update on its implementation efforts. The Governing Body voted to approve staff's proposal to extend mitigation measures outside of California. The Governing Body also voted for a brief verbal update to the Board of Governors on the advisory items.

Energy storage and distributed energy resources phase 2: Of the three proposals in this initiative, one was classified as primary for the Governing Body, while the other two proposals were advisory. Following a presentation from staff, comments were made by Governing Body members regarding the procedures for determining whether an item is

decisional, advisory or hybrid, and commending the Baseline Analysis Working Group for its efforts in defining the baseline against which energy storage and demand response results will be measured. ISO CEO Steve Berberich noted that the ESDER 2 initiative is significant for the EIM because it clarifies how storage and DER resources in the WEIM but outside the ISO can offer services into ISO markets. The Governing Body voted to approve staff's proposal to extend gas price indices to EIM areas. The Governing Body also voted in favor of providing a brief verbal update to the Board of Governors on the advisory items during its general session on July 26, 2017.

Staff provided briefings on the following matters: policy outlook update (EIM initiatives, EIM-related initiatives and non-EIM-related initiatives); EIM greenhouse gas attribution enhancements (to resolve California Air Resources Board concerns); Western EIM performance; Department of Market Monitoring update; Western EIM website overview (Governing Body members complimented staff on the excellent and timely effort); 2018 ISO grid management charge; and ISO preparations for the solar eclipse in August.

Since the last EIM Governing Body meeting, Members have undertaken various outreach activities:

- Carl Linvill attended the Western Conference of Public Service Commissioners in Anchorage and appeared on a panel organized by Commissioner Rendahl on WEIM and SPP market developments.
- John Prescott met with the NW Power Markets Group and the Western Power Market Group.
- Valerie Fong met with the City of Palo Alto and presented to the Renewables 100 Policy Institute.
- John Prescott and Kristine Schmidt met with Public Generating Pool, Powerex, Seattle City Light and Puget Sound Energy.
- Valerie Fong, Carl Linvill and John Prescott had meetings with representatives from the Western Power Trading Forum, the California Municipal Utilities Association, and the Balancing Authority of Northern California.