



**GENERAL SESSION MINUTES
JOINT SESSION – ISO BOARD OF GOVERNORS AND
WEIM GOVERNING BODY MEETING
May 17, 2023
Teleconference**

May 17, 2023

The ISO Board of Governors and the WEIM Governing Body convened the joint general session meeting at approximately 2:30 p.m. and the presence of a quorum was established.

ATTENDANCE

The following members of the ISO Board of Governors were in attendance:

Mary Leslie, Chair
Jan Schori, Vice Chair
Severin Borenstein
Joseph Eto
Angelina Galiteva

The following members of the WEIM Governing Body were in attendance:

Robert Kondziolka, Chair
Jennifer Gardner, Vice Chair
Andrew Campbell
Anita Decker
John Prescott

GENERAL SESSION

The following agenda items were discussed in general session:

PUBLIC COMMENT

No public comment was offered at this time.

DECISION ON JOINT GENERAL SESSION MINUTES

WEIM Governing Body member Prescott moved for approval of the ISO Board of Governors and WEIM Governing Body joint general session minutes for the March 22, 2023, meeting. The motion was seconded by ISO Board of Governors member Galiteva and approved 4-0 by the ISO Board of Governors and 4-0 by the WEIM Governing Body, with member Decker and Governor Eto abstaining.



CEO REPORT

Elliot Mainzer, President and CEO, extended a welcome to new ISO Board of Governors member Joseph Eto, who provided brief comments following his introduction.

Next, Mr. Mainzer introduced the day-ahead market enhancements topic, which was both a joint WEIM Governing Body and ISO Board of Governors decisional item, as well as a separate Board decisional item, for the meeting.

DECISION ON DAY-AHEAD MARKET ENHANCEMENTS

Roger Collanton - Vice President, General Counsel and Chief Compliance Officer, noted public comment letters received from Middle River Power, PacifiCorp, and the Western Power Trading Forum.

Becky Robinson - Principal Economist and Director, Market Strategy and Governance; Joanne Serina – Vice President, Stakeholder Engagement and Customer Experience; and James Friedrich – Lead Policy Developer presented Management’s proposal on the day-ahead market enhancements initiative.

Ms. Robinson first provided an overview of the objectives of the proposed enhancements followed by highlighting the key day-ahead market design features. Next, Ms. Robinson noted the ISO Board’s recommendation to classify the initiative as joint authority because of the regional impact of the proposal. Ms. Robinson noted that in February, Management extended the four year-long stakeholder process to allow additional time to address stakeholder concerns raised in the process and highlighted specific design elements that resulted from stakeholder feedback. Ms. Robinson concluded her portion of the presentation by noting Management’s commitment to provide a comprehensive pre- and post-go-live validation and monitoring of the proposed design parameters setting.

Next, Ms. Serina provided an overview of the enhanced stakeholder process, which included working group meetings in the early stages of policy development that will continue through implementation. Ms. Serina then discussed the governance and oversight of DAME, including the tariff and business practice manuals process related to parameter changes and monitoring plan following implementation of the changes.

Next, Mr. Friedrich provided an overview of the proposed design elements, which will ultimately improve the efficiency and effectiveness of the day-ahead market, enhance the extended day-ahead market and reliability, and provide a transparent and informed transition of imbalance reserves through key tunable parameters and features. Mr. Friedrich noted Management’s recommendation for the Board of Governors to approve the imbalance



FINAL

Approved: July 19, 2023

reserve must-offer requirement for the ISO balancing area's resource adequacy resources. Discussion ensued.

Next, Ryan Kurlinski – Sr. Manager – Market and Policy Analysis, presented a summary of the Department of Market Monitoring's (DMM) comments noting that DMM supports the ISO's proposal.

Dr. Ben Hobbs – Market Surveillance Committee Chair, provided comments on behalf of the Committee noting their overall support for the proposal.

Public comment

The following individuals provided comments:

- Brian Theaker on behalf of Middle River Power
- Jeffrey Nelson on behalf of Southern California Edison
- Sergio Duenas on behalf of California Energy Storage Alliance
- Scott Ranzal on behalf of Pacific Gas & Electric
- Jaime Pinedo on behalf of Los Angeles Department of Water and Power

Joint Motion:

ISO Board of Governors member Leslie:

Moved, that the ISO Board of Governors and WEIM Governing Body approve the day-ahead market enhancements as described in the memorandum dated May 10, 2023 and the Addendum dated May 15, 2023, with the exception of the day-ahead must-offer obligation for resource adequacy capacity eligible to provide imbalance reserves, which remains under the sole authority of the ISO Board of Governors; and

Moved, that the ISO Board of Governors and the WEIM Governing Body authorize Management to make all necessary and appropriate filings with the Federal Energy Regulatory Commission to implement the change proposed in this memorandum, including any filings that implement the overarching initiative policy but contain discrete revisions to incorporate Commission guidance in any initial ruling on the proposed tariff amendment.

The motion was seconded by WEIM Governing Body member Decker and approved 10-0.



ISO Board of Governors Motion:

ISO Board of Governors member Borenstein:

Moved, that the ISO Board of Governors approve the day-ahead must-offer obligation for resource adequacy capacity eligible to provide imbalance reserves element of the day-ahead market enhancements proposal, as described in the memorandum dated May 10, 2023 and the Addendum dated May 15, 2023; and

Moved, that the ISO Board of Governors authorize Management to make all necessary and appropriate filings with the Federal Energy Regulatory Commission to implement the change proposed in this memorandum, including any filings that implement the overarching initiative policy but contain discrete revisions to incorporate Commission guidance in any initial ruling on the proposed tariff amendment.

The motion was seconded by ISO Board of Governors member Schori and approved 5-0.

BRIEFING ON POLICY INITIATIVES ROADMAP

Greg Cook – Executive Director, Market Policy Development, provided a briefing on the 2023-2025 policy initiatives roadmap starting with an overview of the process followed by a summary of stakeholder feedback received on the policy initiatives catalog and proposed enhancements to the roadmap process. Mr. Cook then discussed the three critical strategic and tactical objectives and related initiatives outlined in the roadmap, which include reliably and efficiently integrating new resources by proactively upgrading operational capabilities; strengthening resource adequacy and meeting California’s clean energy goals through long-term transmission planning and coordination with state agencies; and building on the foundation of the WEIM to further expand western market opportunities.

INFORMATIONAL REPORTS

There were no comments on the informational reports (Department of Market Monitoring update, Market Surveillance Committee update, and policy initiative milestones).

FUTURE AGENDA ITEMS

There were no future agenda items.

ADJOURNED

There being no additional general session matters to discuss, the joint general session as adjourned at approximately 4:30 p.m.