

GENERAL SESSION MINUTES

ISO BOARD OF GOVERNORS MEETING

February 2, 2023

ISO Folsom Campus / Hybrid

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The ISO Board of Governors convened the general session meeting at approximately 10:30 a.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
Ashutosh Bhagwat
Severin Borenstein
Angelina Galiteva

GENERAL SESSION

The following agenda items were discussed in general session:

PUBLIC COMMENT

No public comment was offered at this time.

DECISION ON THE GENERAL SESSION MINUTES

Governor Schori moved for approval of the ISO Board of Governors general session minutes for the December 15, 2022, meeting. The motion was seconded by Governor Bhagwat and approved 5-0.

CEO REPORT

Elliot Mainzer – President and CEO, provided highlights from his report to the ISO Board of Governors, including: upcoming decisional items including the extended day-ahead market (EDAM) design, EDAM related governance changes, and the wheel-through final proposals; grid impacts during winter storms; high natural gas and electricity prices; upcoming summer preparedness activities; Memorandum of Understanding with the CPUC and CEC to better align procurement, forecasting and transmission planning; updates on the 2022-2023 transmission plan and the interconnection application process; highlights from the Ten West Link transmission project groundbreaking event; update on Assembly Concurrent Resolution 188; and overview of the recently published Q4 2022 WEIM Benefits Report, which shows more than \$3 billion in cumulative benefits since the market launched in 2014.

Next, Mr. Mainzer presented a resolution to Governor Bhagwat in recognition of his many years of service on the ISO Board of Governors.

WHEREAS, Ashutosh Bhagwat was appointed to the Board of Governors of the California Independent System Operator Corporation in May 2011 and provided guidance, expertise, strategic insight, leadership and sound judgment to the Board and management team; and

WHEREAS, Mr. Bhagwat brought a brilliant and distinguished background to the ISO, as law professor and legal practitioner, including an undergraduate degree with honors from Yale University, and his Juris Doctor with honors in 1990 from the University of Chicago Law School. Mr. Bhagwat served as a law clerk to Seventh Circuit of the U.S. Court of Appeals Judge Richard Posner and to U.S. Supreme Court Justice Anthony Kennedy. Amongst his many distinguished accomplishments, Mr. Bhagwat has been bestowed a variety of honors in his legal career, and is currently a Professor of Law at the University of California, Davis. Mr. Bhagwat is the author of numerous books, articles and other publications on a variety of subjects, including constitutional law and the California Energy Crisis, and

WHEREAS, Mr. Bhagwat's leadership and guidance as a member and Chair of the ISO Board of Governors, and his service on the Board Audit Committee and DMM Oversight Committee, significantly shaped and developed the ISO, including the successful development and growth of the Western Energy Imbalance Market and the transition of the ISO to serve as the Reliability Coordinator for the majority of the western interconnection; and

WHEREAS, Mr. Bhagwat, over the past twelve years, has called upon his many years of experience, insight, legal expertise and deep understanding of the ISO and western interconnect to help guide the ISO through unprecedented challenges while helping to shape and support the ISO through rapid industry transformation; and

WHEREAS, Mr. Bhagwat has been instrumental in guiding the ISO through significant organizational evolution, including with the search, hiring and onboarding of a new Chief Executive Officer in 2020; and

WHEREAS, Mr. Bhagwat has proven to be a valued and collegial member of the Board, whose thoughtfulness, dedication, judgment, keen intellect and integrity have been greatly appreciated and will be missed by his fellow Board members, management and staff at the California ISO;

BE IT RESOLVED, that the California ISO Board of Governors hereby expresses its utmost appreciation and sincerest gratitude to Mr. Bhagwat for his dedicated years of service to the ISO, its stakeholders, and the consumers of California.

The resolution was approved by the ISO Board of Governors (5-0).

WEIM GOVERNING BODY CHAIR REPORT

Robert Kondziolka – Chair of the WEIM Governing Body, provided highlights on the following topics discussed during the January 31, 2023, WEIM Governing Body general session meeting: ISO’s CEO report to the WEIM Governing Body; update on activities from the Body of State Regulators and the Regional Issues Forum Chairs; briefings from the WEIM Governing Body market expert regarding her opinions on the transmission service and market scheduling priorities phase 2 and the extended day-ahead market final proposals; and a briefing on the WEIM Governing Body planning calendar.

DECISION ON PLANNING STANDARDS

Jeff Billinton – Director, Transmission Infrastructure Planning, presented Management’s proposal on the planning standards, which update the Remedial Action Scheme (RAS) Guidelines. Mr. Billinton provided an overview of the changes to the guidelines, including: Simplifying how generation will be armed on a particular RAS; specifying that RAS can be designed to trip storage in the discharging mode or charging mode but not both; allowing relaxation of the guidelines under certain interim exceptional conditions; and updating current guidelines in the planning standards to align with NERC’s Reliability Standards. In conclusion, Mr. Billinton stated that stakeholders were generally supportive of the changes and also noted a couple of stakeholder concerns and ISO’s responses to address those concerns. Discussion ensued.

Public Comment

There was no public comment offered at this time.

Motion:

Vice Chair Schori:

Moved, that the ISO Board of Governors approves the ISO Planning Standards, as described in the memorandum dated January 25, 2023, and as included as Attachment 1 thereto.

The motion was seconded by Governor Bhagwat and approved 5-0.

DECISIONS ON AUDIT AND DEPARTMENT OF MARKET MONITORING COMMITTEE MEMBERSHIPS

Governor Galiteva provided a background overview about the formation and role of the Department of Market Monitoring (DMM) Oversight Committee and then nominated Governor Borenstein to serve as the new Chair and Governor Schori as a new member of the DMM Oversight Committee. Discussion ensued.

Motion:**Governor Galiteva:**

Moved, that the ISO Board of Governors elects Jan Schori, to serve as a member of the Department of Market Monitoring Oversight Committee effective February 3, 2023 which will now consist of Jan Schori and Severin Borenstein (Chair).

The motion was seconded by Chair Leslie and approved 5-0.

Next, Governor Borenstein nominated Governor Galiteva to serve as the new Chair of the Audit Committee and recommended that Governor Leslie continue her role on Committee. Governor Bhagwat committed to continue to serve on the Committee until his service on the ISO Board of Governors ends on February 28, 2023. Discussion ensued.

Motion:**Chair Leslie:**

Moved, that the ISO Board of Governors elects Governor Angelina Galiteva to serve as a member of the Audit Committee effective February 3, 2023 which will now consist of Governor Mary Leslie, Governor Ashutosh Bhagwat, and Governor Angelina Galiteva (Chair).

The motion was seconded by Governor Borenstein and approved 5-0.

BRIEFING ON IMPLEMENTATION OF ASSEMBLY CONCURRENT RESOLUTION 188

Stacey Crowley, Vice President of External Affairs, briefed the ISO Board of Governors on Assembly Concurrent Resolution 188, which is a resolution requiring the ISO to prepare a report summarizing recent relevant studies on the impacts of expanded regional cooperation on California and, among other things, discuss engagement between neighboring states on regional transmission organizations in the west. Ms. Crowley noted that the ISO engaged National Renewable Energy Laboratory (NREL) to help author the report. In her briefing, Ms. Crowley reviewed the list of California balancing authorities who will be partnering on the report; provided an overview of the process for developing and finalizing the report; discussed the value and benefits of regional collaboration; reviewed the list of regional cooperation frameworks that are being considered in the studies; and provided an overview of NREL's study process and findings on impacts to California. Ms. Crowley concluded with an update on the SB 100 joint agency report, which tracks progress on California's clean energy goals. Discussion ensued.

INFORMATIONAL REPORTS

There were no comments on the informational reports.

FUTURE AGENDA ITEMS

There were no future agenda items.

ADJOURNED

There being no additional general session matters to discuss, the general session was adjourned at approximately 11:45 a.m.