

## Stakeholder Comments Template

Submitted by	Company	Date Submitted
Bonnie S. Blair <a href="mailto:bblair@thompsoncoburn.com">bblair@thompsoncoburn.com</a> 202-585-6905	Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, CA (“Six Cities”)	July 9, 2015

Please use this template to provide written comments on the draft final proposal for the EIM Governance posted on June 22, 2015.

[Please submit comments to EIM@caiso.com](mailto:EIM@caiso.com) by close of business July 9, 2015

The draft final proposal is available on the ISO website at:

[http://www.caiso.com/Documents/Briefing\\_Governance\\_Proposal-DraftFinalProposal-June2015.pdf](http://www.caiso.com/Documents/Briefing_Governance_Proposal-DraftFinalProposal-June2015.pdf)

The slides presented during the June 25, 2015 EIM Transitional Committee meeting are available at:

[http://www.caiso.com/Documents/Briefing\\_GovernanceProposal-Presentation-Jun2015.pdf](http://www.caiso.com/Documents/Briefing_GovernanceProposal-Presentation-Jun2015.pdf)

The EIM Transitional Committee welcomes and appreciates stakeholder feedback related to the draft final proposal for the EIM Governance Development initiative.

Please use the following template to comment on the key topics addressed in the proposal. Organizing your submission around the different sections of the EIM governance proposal will assist the Committee in its review of the comments.

### 1. Basics of the EIM governing body

Comment: The Six Cities support the overall framework for EIM governance described in the Draft Final Proposal of the EIM Transitional Committee.

<p><b>2. Selecting members of the EIM governing body</b> (including the selection process and composition of the nominating committee)</p>
<p>Comment: The Six Cities generally support the proposed process for selecting members of the EIM governing body.</p>
<p><b>3. Scope of authority</b> (including the proposed process for resolving disputes about which body has primary authority over a particular policy initiative)</p>
<p>Comment: The division of authority between the EIM governing body and the ISO Board is appropriate. The proposed approach for resolving disagreements concerning primary authority over particular changes to market rules appears reasonable.</p>
<p><b>4. Composition and role of the advisory body of state regulators</b> (including leaving development of their role and relationship with the ISO to the regulators themselves)</p>
<p>Comment: The Six Cities do not oppose the establishment of an advisory body of state regulators, provided, however, that the state regulatory advisory body should have no authority to dictate filings for market design changes for the EIM.</p>
<p><b>5. Regional Advisory Committee</b> (including what issues the proposed committee should address and whether it would provide a productive forum for discussion of the issues and/or would enhance the ISO's existing stakeholder process)</p>
<p>Comment: The Six Cities support the establishment of a Regional Advisory Committee to supplement (but not replace) the existing ISO stakeholder processes. A Regional Advisory Committee with quarterly meetings could provide a useful forum for review of EIM performance and high level consideration and discussion of market design issues. Providing a periodic opportunity for regional discussion also is likely to encourage consensus building. However, the ISO should continue to conduct open stakeholder processes in the current format for specific market design proposals to allow detailed, comprehensive, and timely evaluation of focused market design initiatives.</p>
<p><b>6. Commitment to re-evaluate governance</b></p>
<p>Comment: The Six Cities support the approach recommended in the Draft Final Proposal for re-evaluation of EIM governance in five years or earlier if the EIM governing body concludes that intervening circumstances justify re-evaluation of the</p>

governance framework.

#### **7. Miscellaneous items.**

Comment: The Six Cities' April 20, 2015 comments on EIM governance questioned whether it made sense to proceed with development of an EIM governance framework in light of PacifiCorp's announcement that it is evaluating the possibility of participating fully in all of the ISO's markets as a Participating Transmission Owner ("PTO"). The Six Cities understand, however, that the timeline for potential PTO status for PacifiCorp has been extended. In light of that extension, the Six Cities consider it appropriate to move forward with the EIM governance proposal at this time.