

Stakeholder Comments Template

Submitted by	Company	Date Submitted
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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

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

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:

We have no comments

<p>2. Selecting members of the EIM governing body (including the selection process and composition of the nominating committee)</p>
<p>Comment:</p> <p>In the flow chart on page 19 of the draft governance proposal, we note that a rejection of the candidate slate by the EIM Governing Body would result in a “do over” for the board slate nomination process. We recommend the governance proposal incorporate a rule so that in the event of a rejected slate, the nomination process runs once more, then the Governing Body, in a fashion comparable to “baseball arbitration”, must select its preferred slate from the two proposals. While an impasse is an event of low probability, the consequences of ongoing disagreement regarding the board composition would be disheartening at best. The potential issue could be avoided from the outset through this or a similar process to break potential impasse.</p>
<p>3. Scope of authority (including the proposed process for resolving disputes about which body has primary authority over a particular policy initiative)</p>
<p>Comment:</p> <p>We have no comment</p>
<p>4. Composition and role of the advisory body of state regulators (including leaving development of their role and relationship with the ISO to the regulators themselves)</p>
<p>Comment:</p> <p>We support the revision in the draft proposal that effects the removal of the public power representative from the advisory body of state regulators.</p>
<p>5. Regional Advisory Committee (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:</p> <p>It is our understanding that the proposed Regional Advisory Committee is intended to be a body of EIM footprint stakeholder representatives that review high-level EIM issues in coordination with the CAISO. We understand from Transitional Committee dialog that the RAC is not a forum for comment on specific detailed market design issues. Instead we expect this forum to function as more of an external-focused, high-level body that could address coordination of EIM issues with non-EIM Entities, for instance. Similarly, we view this group as playing a potential role in the coordination of future regional developments not directly related to CAISO’s real-time market operations. Recognizing these are important functions, we support the establishment of the RAC, but recommend that it be evaluated again whenever criteria for an EIM governance review have been triggered.</p>

6. Commitment to re-evaluate governance

Comment:

We support the development of a list of key triggers for re-evaluation of EIM governance. We believe the potential to amend governance in response to actual operating experience and in response to changed circumstances will help attract and retain new entrants.

7. Miscellaneous items.

Comment:

We believe there is an additional area that will require collaboration among EIM Entities but which is outside the purview of delegated EIM governance by the CAISO. As the number of EIM Entities increases, there is the potential for increasing differences between various EIM Entity Open Access Transmission Tariff (OATT) details. These OATTs are used to implement and settle the EIM dispatch on a local basis and address uplift cost allocations, for example. We recommend the EIM Governance act to guide EIM Entities to establish and maintain compatible business practices or act in an advisory role in the event that incompatible business practices are established. Divergence of EIM Entity OATT practices could potentially impede the efficient operation of the market on a regional basis. Perhaps the EIM Entities would benefit from the creation of a standard set of tariff terms and business practices. Such standardization may assist prospective EIM Entities in their evaluation of benefits.