



## AS ADOPTED BY THE CALIFORNIA ISO BOARD OF GOVERNORS ON APRIL 23, 1998

### California ISO Open Meeting Policy

It is the policy of the California Independent System Operator Corporation (the "ISO") to encourage members of the public to attend and observe the proceedings of its Governing Board in accordance with its Bylaws. This document summarizes the provisions of the ISO's Bylaws pertaining to the conduct of open meetings, as well as certain open meeting practices adopted by the ISO Governing Board. A copy of this policy has been delivered to each member of the Governing Board and is posted on the ISO's location on the World Wide Web, at <http://www.caiso.com> (the "ISO Web Site").

#### 1. Applicability of Policy

- 1.1 This open meeting policy (the "Policy") shall apply to all meetings of the ISO Governing Board and all Governing Board standing, advisory, and ad hoc committees (collectively, the "Board").<sup>1</sup> New members of the Board will become subject to the Policy upon their approval by the California Electricity Oversight Board.
- 1.2 All formal actions taken by the Board, including any collective decision by the members of the Board, any collective commitment or promise by the members of the Board to make a positive or negative decision, and any actual vote on any motion, proposal, resolution, order or similar action, shall be taken by the Board in a properly-noticed open meeting or properly-noticed closed/executive session.
- 1.3 It is the intent of the Board to conduct its business and to establish its overall policies in open proceedings, except in the limited circumstances described in Section 7 of this Policy.

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<sup>1</sup> The ISO's Market Surveillance Committee (the "MSC"), a committee made up of non-Board experts, provides advice to the Market Surveillance Unit and General Counsel of the ISO, and reports those findings to the Board. The MSC generally will meet only in closed/executive session, as described below, because of the confidential and proprietary nature of the market information used in its evaluations and surveillance. The information submitted to the MSC from market participants will be provided with the understanding that the information will be used solely for the surveillance function and not released outside the Unit. Additionally, the MSC will be discussing and reviewing key indicators and strategies of the market surveillance plan, the knowledge of which could provide participants increased opportunities to game the market. The MSC, however, will provide reports to the Board on the status of its activities, as appropriate, and any materials provided to the Board in connection with those reports will be made available to the public under the provisions of the Policy set forth below.

## 2. Notices of Meetings and Agendas ("Notices")

- 2.1 Any member of the public may receive Notices of meetings of the Board by providing a written or electronic-mail request to the ISO at "kvaldes@caiso.com". The request may also request delivery of Notices of only those meetings where a particular subject will be discussed. The ISO will review and revise its list of persons requesting Notices on a semi-annual basis, although names will be added to the list upon receipt of an appropriate request.
- 2.2 Any Notice provided to the Board, and to members of the public who have requested such a Notice, shall also be posted on the ISO Web Site at the same time as the delivery of the Notice to the Board.
- 2.3 Notices of Board meetings shall be delivered six calendar days prior to the calendar day of a meeting if the Notice is provided by first class mail, or four calendar days prior to a meeting if the Notice is provided personally or by telephone, facsimile or electronic mail.
- 2.4 The ISO shall maintain a master calendar (the "ISO Master Calendar") on the ISO Web Site of all regularly scheduled meetings of the Board.
- 2.5 Each meeting Notice shall include the items of business of each agenda item to be discussed.
- 2.6 Agenda items may be changed by any member of the Board up to two days before a meeting, and a revised Notice will be posted on the ISO Web Site at substantially the same time the revised Notice is delivered to members of the Board and members of the public who have requested such a Notice. In the event of an emergency, or a determination that there is an immediate need to take action on an item that comes to the attention of the Board or ISO management after this time, a revised Notice will be posted on the ISO Web Site as soon as practicable.
- 2.7 At any properly-noticed open meeting, the Board may vote to recess the meeting to another time and place to be designated and announced to the members of the public attending the meeting prior to or at the time of the recess of such open meeting. At the reconvened meeting, the Board will conduct only that business previously noticed for the recessed meeting.

## 3. Registration at Meetings

- 3.1 No member of the public shall be required to register his or her name, provide any other information, complete a questionnaire or otherwise fulfill any other condition in order to attend an open meeting of the Board.
- 3.2 Members of the public who provide comment or testimony at an open meeting may be asked their name and corporate or governmental affiliation, if any, for proper recordation in the minutes of the meeting, but will not be required to provide such information in order to present their views at any Board meeting.

#### 4. Recording of Meetings

- 4.1 Members of the public are permitted to record open sessions of Board meetings with audio or video tape recorders, or still or motion picture cameras, provided that such recording can be made without noise, illumination or obstruction of view that would constitute a persistent disruption of the proceedings.
- 4.2 If the ISO chooses to create a taped or filmed record of any open meeting, that record will be maintained for at least thirty days following the date of the meeting, and may be viewed by members of the public at a location and at a time to be designated by the ISO.

#### 5. Availability of Meeting Materials

- 5.1 To the extent practicable, the materials necessary for the Board to deliberate on matters requiring formal Board action will be delivered to the Board at the time of delivery of the Notices described in Section 2 hereof. All written materials which are not privileged or confidential and which are submitted to the Board in connection with a matter subject to discussion or consideration at an open meeting, and copies of any slide or similar presentations made to the Board at an open meeting, will be made available to the public. At least three copies of such materials will be available for inspection at the meeting, and will be posted on the ISO's Web Site, for a specified period, either on the evening prior to the meeting, on the day of the meeting (if the materials are not provided to the Board before the meeting) or on the day following the meeting if it is not feasible to post them beforehand, except that materials provided to the Board for teleconference meetings will be posted on the ISO Web Site no later than the day of the meeting. Materials submitted to committees will be posted or made available in draft form until such materials are adopted by the full Board.

#### 6. Public Comment

- 6.1 Members of the public will be given an opportunity to comment on any item on the agenda of an open meeting of the Board prior to or during the Board's consideration of the item.
- 6.2 The Chairperson of a meeting may adopt rules to limit the total amount of time allocated for public comment on particular issues and/or for each individual speaker.

#### 7. Closed/Executive Sessions

- 7.1 A closed/executive session may be called by the Board to consider the following matters:

##### 7.1.1 Litigation

7.1.1.1 The Board may hold a closed session to confer with, or receive advice from, its legal counsel regarding pending litigation, when discussion in open session concerning such matters would prejudice ISO's position in the litigation. Litigation shall be considered pending when any of the following circumstances exist:

7.1.1.1.1 An adjudicatory proceeding before a court, an administrative body exercising its adjudicatory authority, a hearing officer, or an arbitrator, to which ISO is a party, has been initiated formally.

7.1.1.1.2 A point has been reached where, in ISO's opinion on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against ISO.

7.1.1.1.3 Based on existing facts and circumstances, the Board is meeting only to decide whether a closed session is authorized pursuant to section 7.1.1.1.2.

7.1.1.2 Based on existing facts and circumstances, ISO has decided to initiate or is deciding whether to initiate litigation.

7.1.1.3 ISO's legal counsel shall prepare and submit to the Board a memorandum stating the specific reasons for the closed session. If the closed session is pursuant to paragraph (7.1.1.1), the memorandum shall include the title of the litigation. If the closed session is pursuant to subparagraph (7.1.1.1.1 or 7.1.1.1.2), the memorandum shall include the existing facts and circumstances on which it is based. The legal counsel shall submit the memorandum to the Board prior to the closed session, if feasible, and in any case no later than one week after the closed session. Unless the Board votes to waive lawyer-client privilege, the memorandum is exempt from disclosure.

7.1.1.4 For purposes of this provision, "litigation" includes any adjudicatory proceeding, including eminent domain, before a court, administrative body exercising its adjudicatory authority, hearing officer, or arbitrator.

7.1.1.5 The ISO recognizes that on matters for which discussion in open meetings is required under this Policy, the ISO shall be deemed to have waived any attorney-client privilege otherwise available for such discussions. With respect to Executive Sessions, however, the circumstances set forth in this section constitute all bases on which an Executive Session may be called and no part of this Policy constitutes a waiver of ISO's ability to invoke applicable provisions of the Evidence Code related to the lawyer-client privilege for such discussions, except where actions of the Board constitute a waiver of such privilege.

## 7.1.2 Personnel

The Board may hold a closed session to consider the recruitment, appointment, employment, evaluation of performance, or dismissal of an ISO officer or employee, or external auditor, or to hear or discuss complaints or charges brought against an officer or employee, or against a Board member, by any other person, including other ISO personnel. The Board may also hold a closed session to discuss matters relating to salaries, salary schedules, or compensation paid in the form of fringe benefits.

## 7.1.3 Proprietary/Confidential/Security-Sensitive Information

The Board may hold a closed session when considering matters involving trade secrets or confidential or proprietary information, whether proprietary to ISO or to any other person or entity, or when considering matters involving other information, the public disclosure of which is prohibited by law or would pose a threat to the safety or security of the ISO's facilities or the ISO Controlled Grid. The Board may also hold a closed session prior to ISO's entering into a business transaction, where public discussion of negotiating strategy, including price, terms or conditions, would prejudice the ISO's commercial interests.

7.2 When meeting in closed/executive session, only the Board, up to two advisors for each member of the Board, and certain officers and employees of the ISO (as designated by the Board) may be present. The Chairperson of the meeting, however, may permit other attendees he or she deems necessary to be present in such a closed/executive session. Advisors shall be excluded from any closed/executive

session to the extent necessary to preserve the ISO's attorney-client privilege, unless the Board votes to waive the privilege.

7.3 At any time during an open meeting, the Board may vote to adjourn the open meeting and reconvene in a closed/executive session if at least a majority of the Board members present at such meeting vote in favor of such adjournment and reconvening, so long as such closed/executive session has been properly noticed in accordance with Section 2 of this Policy.

7.4 Prior to meeting in closed/executive session, the Board will announce the general nature of the item or items to be discussed in the closed/executive session.

## 8. Teleconference Meetings

8.1 The Board may meet in open or closed/executive session by teleconference, including conference telephone or electronic video screen communication, or other similar equipment, so long as all Governors participating in the meeting can hear one another.

8.2 Members of the public shall be permitted to access, listen to, and comment upon the portion of any teleconference meeting that is open to the public. The public shall be provided in the notice of the meeting with a telephone number and confirmation code to be permitted to become part of the teleconference or, in the alternative, the ISO may choose to designate a location where the meeting shall be audible to the members of the public. In such an event, the Notice for the meeting will describe the location for teleconference participation, and a member of the Board or ISO management will be present at the location.

8.3 All votes taken at a teleconference meeting shall be taken by roll call.

## 9. Special Meetings

9.1 The President of the ISO or any three members of the Board may call a special meeting of the Board, other than a regularly-scheduled monthly or quarterly meeting set forth on the ISO's Master Calendar, for any purpose. A notice of and agenda for such a special meeting will be provided as for a regular meeting of the Board.

## 10. Interruption of Meetings

10.1 In the event any open meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible, and order cannot be restored by the removal of such persons, the Chairperson of the meeting may order the meeting room cleared and continue the meeting. Members of the press, other than those participating in the disturbance, shall be allowed to attend any session closed under this provision.

## 11. Accessibility of Meetings

11.1 All meetings of the Board will be held in a location free of charge and accessible to all members of the public, including those with physical disabilities.

12. Emergency Meetings (These provisions of the Policy are subject to amendment of the bylaws)

12.1 In the case of emergency situation where a work stoppage, crippling disaster or other activity severely impairs public health or safety, and when it is not practicable to convene a regular or special meeting of the Board, the President or any three Governors may call an emergency meeting without providing the notices required under this Policy.

12.2 In an emergency situation, the ISO Secretary will post the Notice for the emergency meeting on the ISO Web Site as soon as practicable before the meeting is to be held.

12.3 If prior notice of the emergency meeting cannot be given, following the meeting, the ISO Secretary will post the following on the ISO Web Site for a minimum of ten days: the minutes of the meeting, a list of persons notified of the meeting, and a description of any roll call votes and other actions taken at the meeting.

12.4 No emergency meetings conducted under this authority will be conducted in a closed/executive session meeting held by teleconference.

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Nothing set forth in this Policy shall establish a cause of action on the part of any person or entity for monetary damages, or to invalidate any action of the Board, claimed as a result of a violation of this Policy.