

# Memorandum

**To:** ISO Board of Governors  
**From:** Karen Edson, Vice President, Policy and Client Services  
**Date:** July 8, 2014  
**Re:** **Business practice manual change management activities update**

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***This memorandum does not require Board action.***

This memorandum is a regular report required by the Federal Energy Regulatory Commission to inform the ISO Board of Governors on the status of the business practice manual change requests submitted by stakeholders and the California Independent System Operator Corporation.

The ISO inaugurated the public change management process for business practice manuals (BPMs) on April 1, 2009. Both the ISO and stakeholders use the same electronic system and process to submit and track proposed changes to the BPMs. The process includes stakeholder review, ISO approval or rejection, and a possible appeal to the BPM Appeals Committee, which is comprised of three ISO officers.

Although the BPM Appeals Committee has never convened since the process began in 2009, an appeal was filed by the Large-Scale Solar Association (LSA) on April 15, 2014. The appeal was related to language in the BPM for Generator Interconnection Procedure (GIP) and the BPM for the Generator Interconnection and Deliverability Allocation Procedure (GIDAP) regarding interconnection customers requirement to engage affected electric systems. After consultation with LSA and other stakeholders, the ISO retracted the language of concern to LSA and will work with stakeholders, through the BPM change process, to develop language that is acceptable to the ISO and interconnection customers. LSA has since withdrawn its appeal.

As of June 20, 2014, twelve proposed revision requests (PRRs) were active in the BPM change management system and were all submitted by the ISO. These twelve active PRRs impact the following BPMs:

- Definitions and Acronyms (1 request)
- Generator Interconnection and Deliverability Allocation Procedures (1 request)
- Generator Interconnection Procedures (1 request)
- Market Instruments (1 request)
- Market Operations (5 requests)

- Queue Management (2 requests)
- Settlements and Billing (1 request)

## **PROCESS OVERVIEW**

The ISO held a monthly BPM change management stakeholder meeting on May 27, 2014, where twelve stakeholders participated. Based on stakeholder comments during the meeting, and on the types of comments entered into the BPM change management electronic system, it appears that stakeholders are generally satisfied with the process.

## **BPM CHANGE MANAGEMENT REPORT**

In compliance with the tariff reporting requirements, attachment 1 of this report:

- States the total number of active PRRs submitted by stakeholders and by the ISO;
- Depicts the active PRRs in various steps along the PRR lifecycle, as of June 20, 2014;
- Reflects that seven PRRs were in final decision status for the period May 9, 2014 through June 20, 2014; and
- Includes PRRs currently under stakeholder appeal, the stakeholder positions on rejected PRRs, and the reasons for rejection.

The following is additional relevant information:

- There are no PRRs under stakeholder appeal. All previously submitted appeals have been withdrawn.
- Eight PRRs were submitted into the electronic system by the ISO on an emergency basis.

A number of emergency PRRs were submitted in the recent weeks. They were related to BPM language changes that resulted from LSA's appeal to the GIP and GIDAP BPMs, as well as to a real-time market price change that occurred following the implementation of the 15-minute market, in alignment with FERC Order 764. Submitting emergency PRRs enables the ISO to expedite language changes while the PRRs remain under consideration in the BPM change management process.

A PRR report summarizing the content of each active PRR in the BPM change management system as of June 20, 2014, is included as attachment 2.