

# **GENERAL SESSION MINUTES BOARD OF GOVERNORS MEETING May 19, 2021 Teleconference**

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## **May 19, 2021**

The ISO Board of Governors convened the general session meeting at approximately 1:00 p.m. and the presence of a quorum was established.

## **ATTENDANCE**

The following members of the ISO Board of Governors were in attendance via teleconference:

Angelina Galiteva, Chair  
Ash Bhagwat, Vice Chair  
Severin Borenstein  
Mary Leslie  
Jan Schori

## **GENERAL SESSION**

The following agenda items were discussed in general session:

## **PUBLIC COMMENT**

There was no public comment.

## **DECISION ON THE GENERAL SESSION MINUTES**

Governor Bhagwat moved for approval of the Board of Governors general session minutes for the March 24-25, 2021 and April 21, 2021 meetings. The motion was seconded by Governor Schori and approved 5-0. Governor Galiteva moved for the approval of the Board of Governors general session minutes for the May 6, 2021 (joint session) meeting. The motion was seconded by Governor Leslie and approved 4-0, with Governor Bhagwat abstaining.

## **CEO REPORT**

Elliot Mainzer, President and CEO, provided highlights of the following sections of his CEO report: summer readiness, transmission infrastructure issues, the energy imbalance market, and the energy storage enhancements initiative.

Next, Mr. Mainzer reported that Anna McKenna was promoted to Vice President of Market Policy and Performance and Dede Subakti was promoted to Vice President of System Operations. To conclude, Mr. Mainzer acknowledged the article in the LA Times regarding the 94.5% clean energy penetration record on April 26. Brief discussion ensued.

## **EIM GOVERNANCE REVIEW COMMITTEE CHAIR REPORT**

Therese Hampton, Executive Director – Public Generating Pool, and Chair – EIM Governance Review Committee, provided an update on behalf of the Committee. Ms. Hampton provided a brief status regarding the approved phase one and part two of the draft final governance review proposal. She informed the Board that the Committee had conducted one-on-one outreach with stakeholders seeking their feedback on the scope of joint authority and dispute resolution. She stated that based on stakeholder input, the Committee modified their previous proposal and released a straw proposal for phase two. She added the Committee was holding a general session meeting on May 20 to further discuss, and would base their next steps on the comments received. Ms. Hampton noted the Committee was aiming to move phase two at the right pace while also arriving at a solution that met the general interest of all stakeholders.

## **DECISION ON AUDIT COMMITTEE MEMBERSHIP**

Roger Collanton, Vice President, General Counsel and Chief Compliance Officer, stated the Board had expressed their interest to expand the Audit Committee's membership. Governor Leslie, Audit Committee Chair, shared concurring remarks and nominated Governor Schori as a member of the Audit Committee.

### **Motion**

**Vice Chair Bhagwat:**

***Moved that the ISO Board of Governors elects Jan Schori to serve as a member of the Audit Committee effective May 19, 2021, which will now consist of Mary Leslie (Chair), Ash Bhagwat and Jan Schori.***

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

## **DECISION ON BOARD SELECTION POLICY**

Greg Fisher, Lead Counsel - Corporate, provided a brief background on the Board selection policy and noted the following components were included in the policy: (1) a set of qualifications for potential candidates; (2) a defined set of stakeholder sectors that make up a Board Nominee Review Committee; and (3) a process through which the Board Nominee Review Committee, with the assistance of an executive search firm, conducts a search for

candidates, culminating in a list of ranked candidates that is sent to the Governor of California as a recommendation for appointment.

Next, Mr. Fisher provided an overview of the following policy updates recommended by Management: (1) an enhanced introductory section that updates the description of the ISO's current role and structure; (2) an update to the candidate qualifications to align with the development of the grid; (3) various revisions to the stakeholder sectors of the Board Nominee Review Committee; and (4) a new provision that would provide ISO Management specific authority to adjust the process in certain circumstances where an incumbent Board member has expressed an interest in reappointment. Discussion followed regarding the candidate qualifications and recommended industry experience. To conclude, Mr. Fisher provided an overview of the stakeholder process and noted there was overall stakeholder support. Discussion ensued and Management provided responsive comments to the Board. The Board and ISO Management concurred that neither would have a role in the decision to determine whether or not a candidate or Board member should be appointed or reappointed to the Board of Governors.

#### Public comment

Public comment was provided as follows:

Eric Eisenman, on behalf of Pacific Gas and Electric and the California Municipal Utilities Association

#### Motion:

**Governor Bhagwat:**

***Moved, that the ISO Board of Governors approves the revised Board Selection Policy as described in and attached to the memorandum dated May 12, 2021, and as reflected in discussion, at the May 19, 2021 Board meeting.***

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

#### **BRIEFING ON SUMMER LOADS AND RESOURCES ASSESSMENT**

Bob Emmert, Senior Manager, Interconnection Resources, provided an overview of the 2021 Summer Loads and Resources Assessment results and stated it modeled all hours in over 2,000 scenarios based on historical renewable energy generation profiles in a range of load levels derived out of 26 years of weather history.

He stated the ISO conducted a base case and a sensitivity case simulation, and noted the simulations assess the need to call on extraordinary measures in order to reduce load.

Next, Mr. Emmert highlighted the key results and discussed how the supply conditions were improved over 2020, but noted that the ISO was in the second year of substantially lower than normal hydro conditions. Next, he reviewed the results of the stochastic modeling where the conservative net import sensitive study showed reduced levels of net imports during high demand conditions. Mr. Emmert explained the results indicated that tight supply conditions were more likely to occur in late summer when hydropower declines to its summer low levels, particularly in September when solar decreases. Discussion followed regarding how the reduction of hydropower conditions affect grid reliability. Next, Mr. Emmert reviewed a table that depicted stack analysis for the month of September that showed the reliance on imports. Discussion followed regarding the stack analysis and Management provided responsive comments. To conclude, he stated that overall capacity conditions were better compared to 2020, and that the grid was vulnerable to high loads and the availability of imports. He highlighted that the amount of battery energy system resources expected for summer 2021 was ten times that of 2020. Brief discussion followed.

### **INFORMATIONAL REPORTS**

There were no comments on the informational reports.

### **FUTURE AGENDA ITEMS**

### **ADJOURNED**

There being no additional general session matters to discuss, the general session was adjourned at approximately 2:30 p.m.