



March 25, 2019

To: CAISO Board of Governors Members

SUBJECT: Support for Revisions to EIM Decisional Classification

The Public Generating Pool (PGP) supports the incremental expansion of the primary authority of the EIM Governing Body to include proposed changes to generally applicable rules of the real-time market if the primary driver for the change is EIM. The governance structure of the EIM and the delegation of authority to the EIM Governing Body is a very important issue for PGP members. Market rules and how they are decided and implemented determine how value is distributed in the market and as the EIM continues to expand into multiple states, the delegation of authority to the EIM Governing Body and the opportunities for formal input to the EIM Governing Body magnify in significance.

As CAISO noted in the initial EIM Governance Review Issue Paper and Straw Proposal, both the EIM and the CAISO's broader 5- and 15-minute markets share market rules running on a common platform of IT systems, as well as common staff and overlapping operational protocols. As such, almost any change to CAISO's broader real-time market affects the EIM. Given the EIM covers a diverse and extensive geographical footprint and set of stakeholder interests, it is important that the EIM Governing Body have an increased role in changes to market rules affecting the EIM.

PGP also looks forward to a broader discussion of the EIM Governing Body structure and delegation of primary authority in the upcoming EIM Governance Review. PGP understand that the next steps on the broader review includes establishment of a stakeholder-based Governance Review Committee made up of appointed representatives from various stakeholder sectors. PGP will participate in the EIM Governance Review process and would like to note the importance of broad and diverse representation of stakeholders on the EIM Governance Review Committee by ensuring each stakeholder sector is represented.

Sincerely,

Laura Trolese

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Public Generating Pool

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Benton PUD / Chelan County PUD / Clark Public Utilities / Cowlitz County PUD / Eugene Water & Electric Board
Grant County PUD / Klickitat County PUD / Lewis County PUD / Snohomish County PUD / Tacoma Power