

GENERAL SESSION MINUTES

EIM TRANSITIONAL COMMITTEE MEETING

December 19, 2014

Teleconference

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The Energy Imbalance Market Transitional Committee, an advisory committee to the ISO Board of Governors, convened the general session teleconference meeting at approximately 12:00 p.m. and the presence of a quorum was established via roll call.

ATTENDANCE

The following members of the EIM Transitional Committee were in attendance:

Rebecca Wagner, Chair
Steve Beuning
Tony Braun
Dede Hapner
Natalie Hocken
Travis Kavulla
Kevin Lynch
Mark Smith
Walter Spansel
Robert Weisenmiller
Carl Zichella

GENERAL SESSION

The following agenda items were discussed in general session:

PUBLIC COMMENT

No public comment was offered at this time.

DECISION ON MINUTES

Committee member Zichella moved for approval of the EIM Transitional Committee's general session minutes for the November 20, 2014 meeting. The motion was seconded by Committee member Kavulla and approved 11-0-0.

CHAIR REPORT

Chair Wagner provided an overview of committee activities and provided an overview of the roles and responsibilities of the following three newly established working groups: market design, stakeholder and straw proposal working groups. She next provided a status update on the issue paper and stated it was on track to post on the ISO website on January 5 and that comments would be due on January 26, 2015. Ms. Wagner stated that the straw proposal was on track for spring 2015 and she noted that an updated tentative schedule of key events would be posted to the ISO website. She stated that Stacey Crowley, Director – Regional Affairs, provided an update on committee activities to the ISO Board of Governors at its December 17-18, 2014 meeting on her behalf as she was under the weather.

EIM GOVERNANCE SCOPE AND STRUCTURE WORKING GROUP UPDATES

Committee member Beuning, lead of the scope working group, provided an overview of recent activities pertaining to the development of the issue paper as related to governance scope and stated they were looking forward to receiving stakeholder input in January. He also provided thanks to his fellow committee members and ISO staff.

Committee member Lynch, lead of the structure working group, provided an overview of recent activities pertaining to the development of the issue paper as related to the governance structure and stated they were looking forward to receiving stakeholder input in January. He also provided thanks to his fellow committee members and ISO staff.

BRIEFING ON ENERGY IMBALANCE MARKET DEPLOYMENT

Mark Rothleder, Vice President – Market Quality and Renewable Integration, provided an update on deployment of the energy imbalance market. Mr. Rothleder provided an overview of the December 1 temporary waiver that was approved by FERC on December 1. He stated that 3,150 MW of participating resources had been added and described how tools were being enhanced to increase visibility of situation awareness of balancing and ramping capabilities. Mr. Rothleder stated that training was complete on the process to inform the market of response to outage events. He informed the committee that pricing performance had improved with the reduction of price excursions.

Mr. Rothleder next provided an overview of several graphs that depicted: 15-minute price frequency in PACE (Pac-East) and PACW (Pac-West); a graph that depicted how prices stabilized after November 14; and a graph depicted 15-minute transfers between PacifiCorp and ISO. Discussion followed and Mr. Rothleder provided an overview of comments received on a stakeholder call on the topic that was held earlier that day.

Discussion ensued and Mr. Rothleder responded to various inquiries from committee members.

BRIEFING ON ENERGY IMBALANCE MARKET YEAR ONE ENHANCEMENTS

Don Tretheway, Lead Market Design and Regulatory Specialist, provided an overview of the energy imbalance market year one enhancements stakeholder initiative. Mr. Tretheway provided an overview of the stakeholder process and reviewed the upcoming EIM year one enhancements schedule and noted that Board decision was on track for March 26-27, 2015. Mr. Tretheway provided an overview of the following phase 1 items on track for the March Board decision: settlement of non-participating resources, greenhouse gas flag and cost based bid adder, establishment of EIM transfer limits using available transmission capacity, resources sufficiency evaluation applied to ISO balancing area authorities, 15-minute bidding on intertie scheduling points, modification of EIM transfer limit constraints, administrative pricing rules, and parallel operations and transition period. Discussion ensued and Mr. Tretheway provided clarifying remarks pertaining to how the settlement of non-participating responses would be handled.

Mr. Tretheway next discussed phase 2 of the year one enhancement initiative and noted the phase 2 items were informed by six months of operation experience. He stated phase 2 items included: EIM transmission charge, flow entitlements, dynamic market power mitigation, as well as other items identified during implementation.

FUTURE AGENDA ITEMS

Discussion ensued regarding the following potential future agenda items: Briefing on ISO response to North West Power Pool request for proposal, briefing by Elliot Mainzer, with Bonneville Power Administration, and a Peak Reliability Coordinator briefing.

Chair Wagner reminded those in attendance that the issue paper would post on January 5, 2015 as part of the stakeholder process, a stakeholder meeting would be held on January 12, 2015, and that comments on the issue paper would be due January 26, 2015.

ADJOURNED

There being no additional general session matters to discuss, the general session was adjourned at approximately 1:00 p.m.