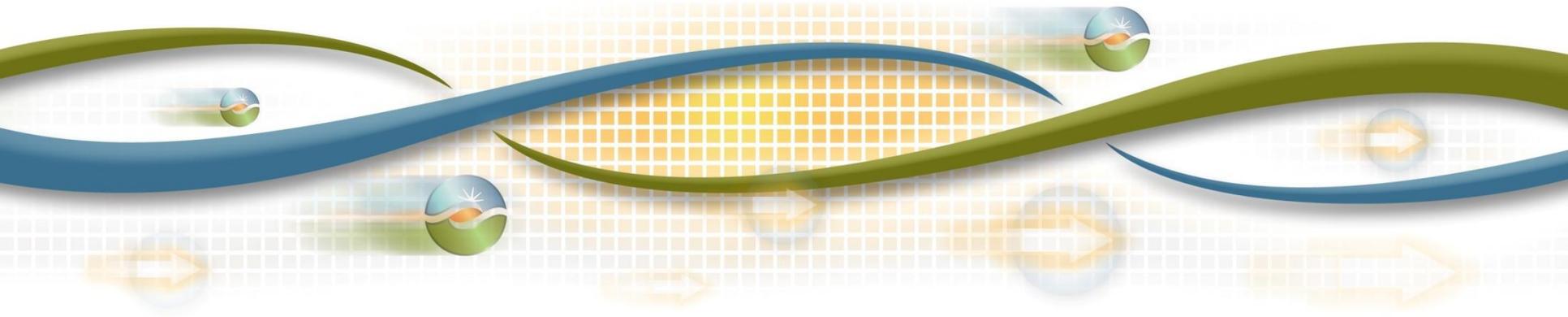


# Regional Integration Update

December 6, 2016

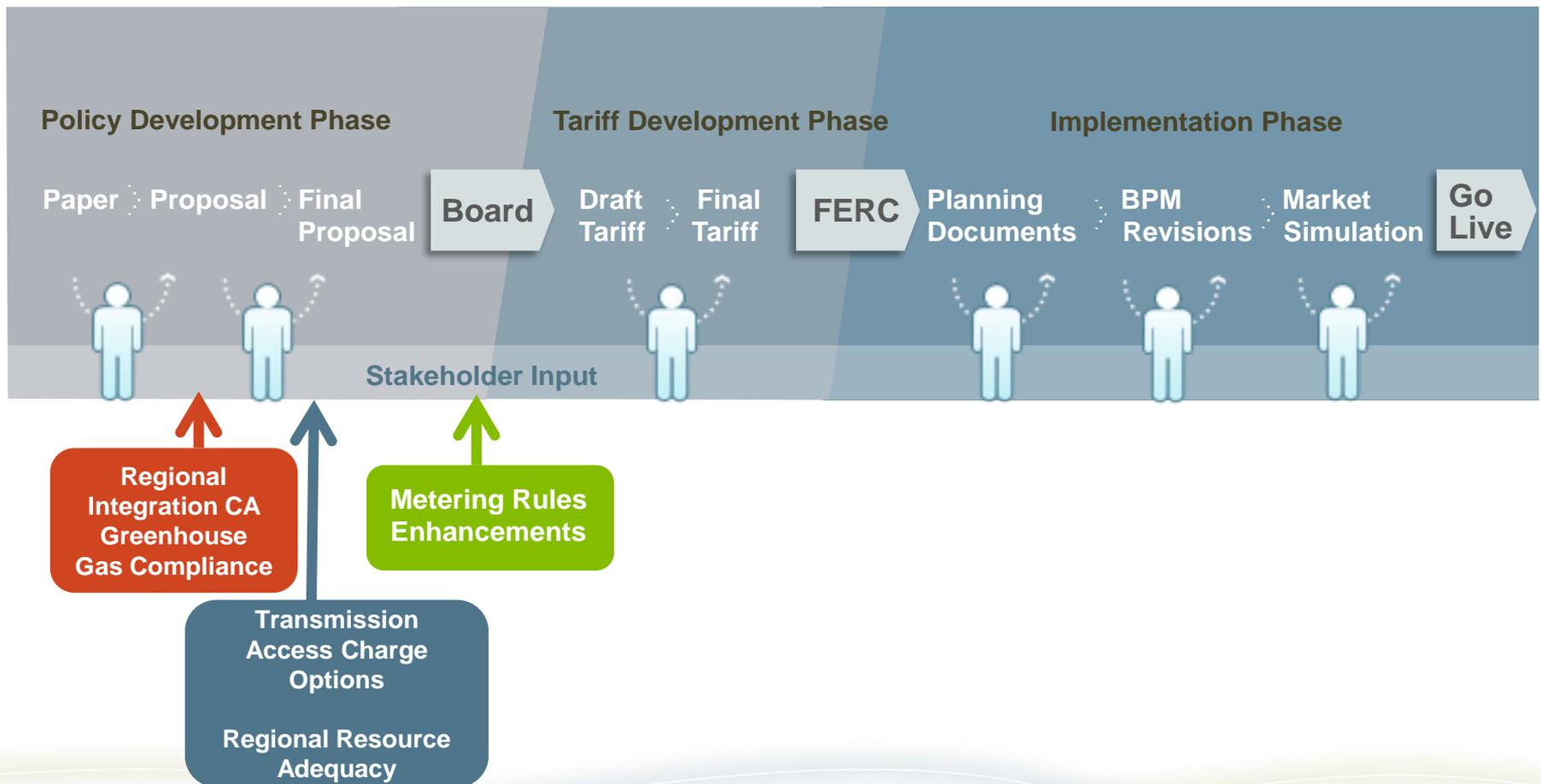


# Agenda

Topics	Presenter
Stakeholder initiatives update	Virginia Thompson
SB350 update	Virginia Thompson
Online Resources	Kristina Osborne
Questions	

# ISO Stakeholder Engagement Process

This diagram represents the typical process, often phases will run in parallel.



# Current Stakeholder Initiatives - Regional

## Transmission Access Charge Options

The current transmission access charge is a two-part rate for each megawatt hour of internal load and exports and is used to recover transmission revenue requirements. Revenue requirements for facilities rated 200 kV and above are recovered through a system-wide rate, while requirements for facilities rated below 200 kV are recovered via specific rates for each participating transmission owner. This initiative considers if the same structure would be appropriate should a transmission owner with a load service territory join the ISO as a participating transmission owner. This initiative began with an issue paper in late October 2015.

### Upcoming activities:

- December 6 - ISO will post a Draft Regional Framework Proposal
- December 13 – ISO will host a stakeholder meeting (Folsom, CA)
- January 4 - stakeholder comments due on Draft Regional Framework Proposal

Audios of meetings and documents available at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/TransmissionAccessChargeOptions.aspx>

Note: These dates are tentative until confirmed by a market notice

# Current Stakeholder Initiatives – Regional

## Regional Resource Adequacy

This initiative evaluates whether the existing resource adequacy tariff provisions are appropriate for use in a regional ISO balancing authority area that encompasses multiple states. This initiative began with an issue paper in early December 2015.

### Upcoming activities:

- December 8 – ISO will host a stakeholder meeting (Folsom, CA)
- January 4 – stakeholder comments due on Draft Regional Framework Proposal

Audios of meetings and documents available at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/RegionalResourceAdequacy.aspx>

Note: These dates are tentative until confirmed by a market notice

# Current Stakeholder Initiatives – Regional

## Greenhouse Gas Compliance

This initiative will determine how costs for generation to comply with California's greenhouse gas (GHG) regulations will be treated in the ISO's integrated forward market (IFM). The energy imbalance market currently has a methodology that enables generation resources to include GHG compliance costs in their offers to supply California load. Similar provisions must be developed for the IFM to address GHG compliance costs for new participating transmission owners outside of California. This initiative began in late August 2016.

### Upcoming activities:

- December 15 – stakeholder comments due on Straw Proposal
- January 5 – next draft of proposal

Audios of meetings and documents available at:

<http://www.caiso.com/informed/Pages/StakeholderProcesses/RegionalIntegrationCaliforniaGreenhouseGasCompliance.aspx>

Note: These dates are tentative until confirmed by a market notice

# Current Stakeholder Initiatives – Regional

## Metering Rules Enhancements

This initiative will review existing metering requirements and propose possible revisions to accommodate the growth in renewables, energy storage and distributed energy resources; technology advancements, developer interest in new and complex metering configurations; expansion of regional markets through the energy imbalance market; and, the potential integration of other balancing authority areas into the ISO balancing authority area.

### Upcoming activities:

- December 15 – Revised Draft Final proposal will be presented to the ISO Board of Governors for a decision
- December 19 – web conference to discuss draft tariff language

<http://www.caiso.com/informed/Pages/StakeholderProcesses/MeteringRulesEnhancements.aspx>

Note: These dates are tentative until confirmed by a market notice

# SB 350 update on upcoming activities

## Study Work:

SB 350 study work is complete and was submitted to Governor Brown (CA) on September 15, 2016.

Data and information related to the Senate Bill 350 studies are available directly on the ISO's [Regional Energy Market](#) webpage.

See submitted comments on CEC website at:

<https://efiling.energy.ca.gov/Ecomment/Ecomment.aspx?docketnumber=16-RGO-01>

Market notice regarding SB 350 Studies Package Sent to Governor:

<http://www.caiso.com/Documents/SB350StudiesCompleted-Sent-Governor.html>

# SB 350 governance modifications

## Governance Work:

A 2<sup>nd</sup> Revised Proposal for Principles for Governance of a Regional ISO and a discussion paper on Potential Topics within the Primary Authority of the Western States Committee were presented on October 17 at a CEC workshop in Sacramento

## Upcoming activities:

- The ISO is working on revisions to key governance principles

For more information and audio recordings of past meetings, visit the CEC website at:

[http://www.energy.ca.gov/sb350/regional\\_grid/documents/index.html](http://www.energy.ca.gov/sb350/regional_grid/documents/index.html)

Additional information is also available on the ISO website at:

<http://www.caiso.com/Pages/documentsbygroup.aspx?GroupID=468800D9-7E24-4CDE-8E3F-9D1ACD2376B7>

Note: These dates are tentative until confirmed by a market notice

**Legislation Enacted**

**Develop Governance Plan**

**12 Months**

**Governor Certifies**

**Transition Period**

**36 Months**

Bill Provisions

- Relinquishes state control over the ISO Board
- May include additional governance principles

Step One

Transitional Committee addresses governance issues, as specified

Step Two

Existing ISO Board gives “due deference” to Transitional Committee work and approves a regional governance plan

Step Three

Existing ISO Board seeks necessary approvals, such as from FERC

Certification Requirements

- Must comply with the state’s Regionalization Principles
- Must be in the best interest of California and ratepayers

Step One

Nominating Committee selects a slate of nominees for the new Regional ISO Board

Step Two

Western States Committee votes on slate of nominees as a whole (If slate is not approved, the Nominating Committee)

Regional ISO Board  
Nine member independent body

Western States Committee  
Provides input on matters of collective state interest  
Primary Authority on certain issues (RA /TAC)

# Stakeholder initiative milestone document

Stakeholders can access the ISO's stakeholder initiative milestone document, updated weekly, for any changes to initiative dates (for all ISO initiatives).

		Oct 2016				
	Initiatives	Paper Published	Meeting/call	Comments Due	Training or Workshop	ISO Files Tariff Language
Regional Integration	<a href="#">Regional Integration California Greenhouse Gas Compliance</a>			27	13	
	<a href="#">Metering Rules Enhancements</a>					
	<a href="#">Regional Resource Adequacy</a>		6	27		
	<a href="#">Transmission Access Charge Options</a>		7	28		

<http://www.caiso.com/Documents/StakeholderInitiativeMilestones.pdf>

# Online Resources

## Regional Integration Resources on the ISO Website:

[www.caiso.com](http://www.caiso.com)

Regional energy market webpage

<http://www.caiso.com/informed/Pages/RegionalEnergyMarket/BenefitsofaRegionalEnergyMarket.aspx>

Stakeholder processes webpage

<http://www.caiso.com/informed/Pages/StakeholderProcesses/Default.aspx>

Stakeholder initiative milestone document

<http://www.caiso.com/Documents/StakeholderInitiativeMilestones.pdf>

ISO public calendar

<http://www.caiso.com/Pages/Calendar.aspx?IsDlg=true>

## Other ways to stay informed:

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# Contacts

Please send questions and topic suggestions to  
[Regionalintegration@caiso.com](mailto:Regionalintegration@caiso.com)

Join us for the final\* scheduled regional integration update on  
December 20, 2016. (See calendar on ISO's website for web  
conference details.)

\*December 20 will be the last regularly scheduled Regional update call. The ISO may host regional update calls as needed in 2017. Please watch for a regional market notice which would announce any update call.