

Memorandum

To: ISO Board of Governors
From: Thomas Doughty, Vice President, Customer and State Affairs
Date: August 24, 2016
Re: **Business practice manual change management report**

This memorandum does not require Board action.

This memorandum provides a regular report, as 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.

As of August 11, 2016, twenty-six proposed revision requests (PRRs) were active in the BPM change management system. Twenty-five were submitted by the ISO, and one was submitted Pacific Gas and Electric Company. These twenty-six active PRRs affect the following BPMs:

- Congestion Revenue Rights (1 request)
- Definitions and Acronyms (1 request)
- Generator Interconnection and Deliverability Allocation Procedures (3 requests)
- Generator Management (4 requests)
- Market Instruments (4 requests)
- Market Operations (4 requests)
- Metering (2 requests)
- Reliability Requirements (1 request)
- Settlements and Billing (6 requests)

PROCESS OVERVIEW

The ISO held monthly BPM change management stakeholder meetings on June 28, 2016, where eighteen stakeholders participated, and on July 26, 2016, where twenty-six stakeholders participated. Based on stakeholder comments during the meetings 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 August 11, 2016;
- Reflects that seventeen PRRs were in final decision status within the period June 4, 2016 through August 11, 2016; 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 currently under stakeholder appeal.
- There were no rejected PRRs.
- Four of the active PRRs were submitted into the electronic system by the ISO on an emergency basis. The emergency PRRs required rapid implementation, as the effective date occurred prior to the completion of the BPM change management stakeholder process.

A PRR report summarizing the content of each active PRR in the BPM change management system as of August 11, 2016, is included as attachment 2.