



# Memorandum

**To:** ISO Board of Governors

**From:** EIM Governing Body

**Date:** May 9, 2018

**Re: EIM Governing Body advisory recommendation re the imbalance conformance enhancements proposal**

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The Energy Imbalance Market Governing Body met on April 24, 2018 where the imbalance conformance enhancements proposal was presented. The EIM Governing Body has a primary decisional role for one element in the proposal and an advisory role for the balance of the proposal.

In its primary decisional role, the EIM Governing Body approved Management's proposal, and in its advisory role, the EIM Governing Body recommends that the ISO's Board of Governors approve Management's proposal.

The proposal clarifies the ISO's authority to conform for imbalance in the real-time market; clarifies the ISO's authority to conform for imbalance in the day-ahead market through the residual unit commitment net short process; and implements enhancements to improve the imbalance conformance limiter currently used in the real-time market along with improvements to the conformance process in the ISO balancing area. The ISO will be able to improve the imbalance conformance process with the enhancement of tools designed to more accurately determine the conformance requirement and display the ramping capacity available for each market run, reducing the need for the limiter. The use of the conformance limiter is proposed to sunset in two years.

With regard to the EIM Governing Body's primary decisional authority, the EIM Governing Body approved tariff clarifications authorizing EIM balancing areas to make imbalance conformance adjustments for their balancing areas.

The EIM Governing Body acknowledges the efforts of ISO Management and staff and of all stakeholders whose valuable input helped to shape the proposal before the Board.