



FINAL
Approved: July 17, 2024

GENERAL SESSION MINUTES JOINT SESSION – ISO BOARD OF GOVERNORS AND WEIM GOVERNING BODY MEETING May 22, 2024 Web conference

May 22, 2024

The ISO Board of Governors and the WEIM Governing Body convened the joint general session meeting at approximately 1:30 p.m. and the presence of a quorum was established.

ATTENDANCE

The following members of the ISO Board of Governors were in attendance:

Jan Schori, Chair
Severin Borenstein, Vice Chair
Joseph Eto
Angelina Galiteva
Mary Leslie

The following members of the WEIM Governing Body were in attendance:

Andrew Campbell, Chair
Robert Kondziolka, Vice Chair
Anita Decker
John Prescott
Rebecca Wagner

GENERAL SESSION

The following agenda items were discussed in general session:

PUBLIC COMMENT

No public comment was offered at this time.

DECISION ON JOINT GENERAL SESSION MINUTES

Governor Borenstein moved for approval of the ISO Board of Governors and WEIM Governing Body joint general session minutes for the March 20, 2024, meeting. The motion was seconded by Member Kondziolka and approved 10-0.



FINAL
Approved: July 17, 2024

CEO REMARKS

Elliot Mainzer – President and CEO, provided a brief introduction of the agenda topics, which included the decision on rules for bidding above the soft offer cap, West-Wide Pathways initiative briefing, update from ISO and PacifiCorp on onboarding and implementation for the extended day-ahead market and a briefing on load conformance including residual unit commitment adjustments.

DECISION ON RULES FOR BIDDING ABOVE THE SOFT OFFER CAP

Roger Collanton, Vice President, General Counsel and Chief Compliance Officer, noted the public comment letters received from Western Power Trading Forum, Seattle City Light, Bonneville Power Administration, and WEIM Regional Issues Forum.

Becky Robinson – Director, Market Policy Development, presented Management’s proposal on the rules for bidding above the soft offer cap as part of the price formation enhancements initiative. Ms. Robinson first provided background regarding the establishment of the soft offer cap as part of FERC Order No. 831. Ms. Robinson highlighted the identified issues based on the current offer cap and noted the proposal, which is 1) to remove the \$1,000/MWh cap on default energy bids for all resources in both the day-ahead and real-time market, and 2) modify the real-time bid cap for energy storage resources to provide additional bidding flexibility. Next, Ms. Robinson discussed the stakeholder engagement process and highlighted future enhancements and monitoring of the process following implementation.

Adam Swadley – Manager, Market and Policy Analysis, provided comments on behalf of the Department of Market Monitoring noting DMM’s support of the proposal to remove the \$1,000/MWh cap on default energy bids. Mr. Swadley also noted some concerns with the proposed bid-cap recovery rules for storage resources, and recommended the ISO initiate a stakeholder process to address this item.

Scott Harvey – Market Surveillance Committee member, provided highlights of the MSC Opinion titled “Opinion on Order 831 Rules for Bidding above the Soft Offer Cap”. Dr. Harvey noted, on behalf of the MSC, that the MSC supported the ISO’s proposal to raise the soft offer cap; however, Dr. Harvey noted the MSC remained concerned with other elements of the proposal that impact energy storage resources.

Public comment

The following provided comments on the proposal:

- Don Tretheway on behalf of the California Energy Storage Alliance
- Scott Ranzal on behalf of Pacific Gas & Electric

FINAL
Approved: July 17, 2024

Motion

Member Decker:

Moved, that the ISO Board of Governors and WEIM Governing Body approve the change to the rules for bidding above the soft offer cap as described in the memorandum dated May 21, 2024; and

Moved, that the ISO Board of Governors and WEIM Governing Body authorize Management to make all necessary and appropriate filings with the Federal Energy Regulatory Commission to implement the change proposed in this memorandum, including any filings that implement the overarching initiative policy but contain discrete revisions to incorporate Commission guidance in any initial ruling on the proposed tariff amendment.

The motion was seconded by Governor Borenstein and approved 10-0.

BRIEFING ON WEST-WIDE GOVERNANCE PATHWAYS INITIATIVE

Kathleen Staks, co-Chair of the Pathways Launch Committee, introduced other Launch Committee member presenters, which included Lisa Hickey, Evelyn Kahl, David Rubin, Spencer Gray, Marc Joseph and Scott Ranzal. The Launch Committee provided background on the initiative including Committee membership, the initiative timeline, and its mission. They then reviewed the proposal, which includes a three-step regionalization process. The Committee provided an overview of the evaluation criteria for the proposed governance structure and concluded by reviewing the next steps in the proposal development process. Discussion ensued pertaining to the likely need for a special joint meeting in late summer or early fall for the Pathways Step 2 proposal.

Public comment

There was no public comment offered at this time.

UPDATE ON EXTENDED DAY-AHEAD MARKET ONBOARDING AND IMPLEMENTATION

Khaled Abdul-Rahman – VP, Power Systems and Market Technology, provided an update on the ISO's onboarding and implementation activities for the extended day-ahead market. Mr. Abdul-Rahman highlighted the EDAM vendor forum held on Feb 27-29, 2024, for the technical design of the EDAM. He then noted the customer readiness tools the ISO has launched, including training, videos, and a new EDAM webpage on the WEIM website.



FINAL
Approved: July 17, 2024

Next, Mr. Abdul-Rahman highlighted other key accomplishments, upcoming activities and key onboarding milestones.

Next, Kerstin Rock – Director, Policy and Analytics at PacifiCorp, provided an update on PacifiCorp’s onboarding and implementation experience. Ms. Rock first provided an update on PacifiCorp’s internal efforts to prepare for implementation, including changes to metering, procurement, software, communications, and change management processes. Ms. Rock concluded by noting the next steps in PacifiCorp’s onboarding process and readiness efforts. Discussion ensued.

Public comment

No public comment was offered at this time.

BRIEFING ON LOAD CONFORMANCE INCLUDING RESIDUAL UNIT COMMITMENT ADJUSTMENTS

Guillermo Bautista Alderete – Director, Market Performance and Advanced Analytics, provided a briefing on load conformance including residual unit commitment adjustments. Mr. Alderete described the load conformance process, including how it is applied by operators, the drivers for when it is triggered, and how it is used in each market. Mr. Alderete then provided an overview of residual unit commitment (RUC) adjustments and noted the pilot program launched in 2023 to assess the utilization and implications of load conformance in the RUC. Mr. Alderete highlighted the cost benefits associated with using RUC adjustments in non-summer months. Next, Mr. Alderete reviewed the use and implications of load conformance in the WEIM noting the import transfer limitations. Discussion ensued.

Public comment

No public comment was offered at this time.

INFORMATIONAL REPORTS

There were no comments on the informational reports.

FUTURE AGENDA ITEMS

There were no future agenda items.

ADJOURNED

There being no additional joint general session matters to discuss, the joint general session was adjourned at approximately 5:10 p.m.