

# West-Wide Governance Pathways Initiative

Formation Committee Update to CAISO Board of Governors  
and WEM Governing Body  
May 21, 2025



West-Wide Governance Pathways Initiative

# Agenda

- Launch Committee Update: Final Formation Board Proposal
- Sector Development Workshop
- Next Steps



# Formation Board Proposal

**Need:** IRS requires names of Board Members in application for non-profit status

**Formation Board Attributes:** The 7-member Formation Committee (FC) will serve as the Formation Board. Scope of duties will be limited to meeting the foundational requirements for formation including submission of the 1023 form to the IRS. The Launch Committee (LC) will retain its decision-making role and the FC will continue to operate as a sub-committee of the LC. Serving as the Formation Board will not give the FC any additional decision-making ability or authority.

**Costs:** Limited but may need to include D&O insurance. This approach will allow for avoided costs such as: Formation Board salaries, use of a search firm, legal costs to vet Board member independence

**Tenure/Term:** Approximately 6 months: from filing of corporate documents (Jan 2026)-seating of RO Board (July 2026)

**Duties:** Limited to being listed on IRS docs, Board will not be engaged in making market policy decisions, LC still retains decision making for the formation of the RO



## Formation Board Proposal - Comments

- Received one set of comments with requests for:
  - Open board meetings- advanced public notice, webinar access, posting of meeting recordings and decisions, with the exception of executive sessions (scope would be limited to sensitive personnel discussions or other topics that require confidentiality)
  - Clarify Formation Board duration of service, long-term strategy decision making, and accountability, how those duties and limitations will be documented and enforced
  - Clarify the decision-making scope of the LC, the Formation Board, and the California ISO
  - Add another member to the Formation Committee from the Pacific Northwest- work would benefit from that geographic representation



# Sector Workshop Agenda

- Implementation of Recommended Sectors
- What does it mean to be a Sector?
- What does it mean to be a Sector Liaison?
- What does it mean to be a Nominating Committee Representative?
- Upcoming opportunities for additional Stakeholder engagement



## Why now?

- To seat the RO Board in July 2026, the Nominating Committee needs to be ready by January 1, 2026
- **This will require a Sector Nominating Committee Representative to be designated by November 2025**



## Next Steps

- Finalized Draft Budget
- Nominating Committee Procedure
- Initial RO Board Proposal
- Draft Corporate Documents
- Stakeholder Process Refinements
  - Coordination with RIF

The Launch Committee will continue to host monthly stakeholder meetings.

- Next meeting: Friday, May 30th from 10:30-12:00PT/11:30-1:00MT/12:30-2:00CT

