

Notice

To: Richard Maullin, Chair, Board of Governors
Douglas Howe, Chair, EIM Governing Body

From: Roger Collanton, Vice President, General Counsel and Corporate Secretary

Date: July 3, 2017

Re: Notice of Planned Decisional Classification for “Aliso Canyon Gas-Electric Coordination Phase 3”

Any objection by the Chairs to this decisional classification is due by July 5, 2017.

This is formal notice of ISO Management’s initial decisional classification for “Aliso Canyon gas-electric coordination phase 3.”

Any objection by the Chairs to the initial decisional classification is due by July 5, 2017. Otherwise, this initiative will be presented for decision consistent with the classification described below.¹

For purposes of obtaining approval of this initiative, Management will be dividing it into two parts. One part proposes to allow an EIM Entity to implement a gas constraint in its balancing area. This issue falls within the EIM Governing Body’s primary authority (E1), which means that this part of the initiative will be presented to the EIM Governing Body for approval and, if it is approved, will be included on the consent agenda at the next Board meeting.

The remainder of this initiative falls within the EIM Governing Body’s advisory role (E2), which means that the remainder of the initiative will be presented to the Board for approval. The EIM Governing Body will also receive a briefing on the remainder of the proposal and may provide advisory input.

Please note that the classification for this initiative has changed since the Briefing on Policy Outlook provided at the April 19, 2017 EIM Governing Body meeting. Management made this change after recognizing that the use of gas constraints in EIM areas is separable from the remainder of the initiative in the sense that, even if this particular component were not approved at

¹ The process is described in the Guidance for Handling Initiatives within the Decisional Authority or Advisory Role of the EIM Governing Body at <http://www.caiso.com/Documents/GuidanceforHandlingPolicyInitiatives-EIMGoverningBody.pdf>.

this time, Management would plan to file the remainder of the proposal if it were approved because it relates to the distinct issue of addressing restrictions on Aliso Canyon.

The draft final proposal for this initiative is located at:

<http://www.caiso.com/Documents/DraftFinalProposal-AlisoCanyonGas-ElectricCoordinationPhase3.pdf>.

Additional relevant papers for this initiative are located at:

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

Written stakeholder comments on the draft final proposal, including the proposed classification, were due June 30, 2017. There were no objections to the initial decisional classification.