California ISO

BPM Change Management Meeting

Hannah Pearson

BPM Change Management Facilitator

BPM_CM@caiso.com

October 28, 2025

Housekeeping reminders

- This call is being recorded for informational and convenience purposes only. Any related transcriptions should not be reprinted without ISO’s permission.
- Meeting is structured to stimulate honest dialogue and engage different perspectives.
- Please keep comments professional and respectful.

Instructions for raising your hand to ask a question

- If you are connected to audio through your computer or used the "call me" option, please use the raised hand icon located on the lower center of the Webex screen to enter the question queue.
- If you are not logged into Webex and just dialed in on the phone - dial *3 to enter the queue.
- Please remember to state your name and affiliation before making your comment.
- If you need technical assistance during the meeting, please send a chat to the event producer.

Agenda – BPM Change Management Meeting
October 28, 2025

Topic	Presenter
Introduction	Hannah Pearson
Meeting Overview and Updates	Hannah Pearson
BPM Change Management	Rashele Wiltzius
Compliance Monitoring	Priyanka Namburi
Credit Management and Market Clearing	Christina Billing
Energy Imbalance Market (EIM)	Michael Martin
Generator Interconnection and Deliverability Allocation Procedures	Matthew Chambers Riddhi Ray Daune Wilson
Generator Management	Jill Jordan
Market Operations	Michael Martin
Reliability Requirements	Melanie Bogen Abdul Mohammed-Ali
Wrap-Up and Next Steps	Hannah Pearson

BPM Change Management Process
BPM_CM@caiso.comDemand

California ISO Stakeholder Initiative Process

- Business Practice Manuals
  - The purpose of BPMs is to set forth business practices that implement the ISO tariff.
  - The ISO conducts a yearly policy initiative roadmap process to consider and rank initiatives.
    - *Policy changes submitted though the PRR process will be referred to the policy initiative road map process.*
  - Each subject area in a BPM is based on enabling language in the ISO tariff.
    - *The PRR process cannot be used to introduce changes that are not supported by existing tariff authority.*

BPM Change Management

PRR	PRR Title	Stage
1640	New PRR status, additional and general PRR updates	Initial

PRR 1640 – New PRR status, additional and general PRR updates

- Reason for revision:
    - Add new PRR status of Pending Project Implementation
    - Update Impact Analysis template
    - Add a section in BPM to define PRR statuses for stakeholders
    - Additional general updates to bring BPM current
  - Effective at the end of the PRR cycle
- Initial comments: None
- Initial comment period expired: October 15, 2025
- Next step: Recommendation comment
- *Important notes:*
  - *Changes to the Change Management BPM require public Board approval, which is expected to occur in December, following completion of the full PRR approval process.*
  - *CAISO will conduct external training in January (after Board approval) to review the new PRR status and updates to the Impact Analysis template.*

Compliance Monitoring

PRR	PRR Title	Stage
1649	Request for additional data	Initial

PRR 1649 – Request for additional data

- Reason for revision
  - Adding clarification for Tariff Section 8.4.
  - Ability for CAISO to request for additional evidence on AS certification and auditing.
- Initial comments: None
- Initial comment period expired: October 15, 2025
- Next step: Recommendation comment

Credit Management and Market Clearing

PRR	PRR Title	Stage
1637	Various revisions related to Phase One of Billing, Payment and Credit Enhancements as approved by FERC on 1/28/25	Recommendation

PRR 1637 – Various revisions related to Phase One of Billing, Payment and Credit Enhancements as approved by FERC on 1/28/25

- Reason for revision
  - To align the BPM with the tariff in regards to various revisions related to Phase One of Billing, Payment and Credit Enhancements as approved by FERC on 1/28/25 .
- Recommendation comments: None
- Recommendation comment period expired: October 15, 2025
- Next step: Final decision

Energy Imbalance Market (EIM)

PRR	PRR Title	Stage
1639	Remove sunset of AET and add provision for RC Action	Initial

PRR 1639 – Remove sunset of AET and add provision for RC Action

- Reason for revision
  - Removal of the provision to sunset the AET process by December 31, 2025 and adding the provision and process to request a wavier to the surchages upon failure of the AET when directly attributable to actions taken in coordination with the Reliability Coordinator.
- Initial comments: None
- Initial comment period expired: October 15, 2025
- Next step: Recommendation comment

Generator Interconnection and Deliverability Allocation Procedures

PRR	PRR Title	Stage
1636	Updates related to implementing the shared Network Upgrade topic from the Interconnection Process Enhancements 2023 – Track 2 stakeholder initiative	Recommendation
1638	Subscriber Participating Transmission Owner Updates	Recommendation
1642	Intra-cluster prioritization deliverability clarification	Initial
1644	Stand-Alone Network Upgrade Clarification	Initial
1647	Clarification of project financial-security posting requirements	Initial

PRR 1636 – Updates related to implementing the shared Network Upgrade topic from the Interconnection Process Enhancements 2023 – Track 2 stakeholder initiative

- Reason for revision
  - This is related to Stakeholder policy Interconnection Process Enhancements (IPE) Track 2.
  - The effective date is 8/19/2025.
  - Updates related to implementing the shared Network Upgrade topic in GIDAP Section 11.3.2.6 that resulted from the Interconnection Process Enhancements 2023 – Track 2 stakeholder initiative .
- Revision after initial comments
  - The CAISO made updates based on feedback received during the initial comment period
- Recommendation comments: None
- Recommendation comment period expired: October 15, 2025
- Next step: Final decision

PRR 1638 – Subscriber Participating Transmission Owner Updates

- Reason for revision
  - Addition of language to Section 6.9.2.3(b) to reflect the additions to CAISO Tariff Appendix DD Section 8.9.1 allowing for Maximum Import Capability allocations to generating facilities interconnected to Subscriber PTO facilities.
  - Added new Section 4.5.3 to describe applicable interconnection process for Generating Facilities seeking interconnection with Subscriber PTO transmission facilities.
- Recommendation comments: None
- Recommendation comment period expired: October 15, 2025
- Next step: Final decision

PRR 1642 – Intra-cluster prioritization deliverability clarification

- Reason for revision
  - Submitted by Susan R. Schneider, Phoenix Consulting
  - Clarify that projects receiving ICP "headroom" allocations, and accelerating their CODs accordingly, can provide Resource Adequacy under specific circumstances even though all of their Assigned Network Upgrades are not yet complete.
  - CAISO rules usually require that all Precursor and Assigned Network Upgrades be complete before a project with a TPD Allocation receives its applicable FCDS or PCDS designation. However, projects accelerating their CODs pursuant to an ICP "headroom" allocation are allowed to interconnect and operate before the ICP-related RNU is in-service.
  - This PRR is needed to clarify that such projects can receive FCDS or PCDS, as applicable, once the non-ICP upgrades are in service. It would undermine the effectiveness of the ICP process if these projects had to wait to fully provide RA until the ICP-related RNU is in service.
  - Effective at end of PRR process.
- Initial comments:
  - 10/15, Raeann Quadro (Gridwell Consulting)
- Initial comment period expired: October 15, 2025
- Next step: On Hold, this PRR is on hold to give the CAISO an opportunity to develop language that better accomplishes LSA's purpose.

PRR 1644 – Stand-Alone Network Upgrade Clarification

- Reason for revision
  - Submitted by Susan R. Schneider, Phoenix Consulting
  - Clarify the risks that Interconnection Customers assume if they elect to self-build Stand-Alone Network Upgrades
  - Effective at end of PRR process.
  - The cost and timing risks assumed by an Interconnection Customer electing to self-build a Stand Alone Network Upgrade – e.g., non-recovery of cost overruns and/or COD extension risks for timing delays – are not clear in the existing language. This PRR would help ensure that Interconnection Customers are fully aware of these risks and can consider them in making the self-build election.
- Initial comments:
  - 10/15, Raeann Quadro (Gridwell Consulting)
- Initial comment period expired: October 15, 2025
- Next step: On Hold This PRR is on hold to give the CAISO an opportunity to develop language that better accomplishes LSA's purpose.

PRR 1647 – Clarification of project financial-security posting requirements

- Reason for revision
  - Submitted by Susan R. Schneider, Phoenix Consulting
  - Clarify that Interconnection Customer financial-security posting requirements should exclude coverage for the cost of Network Upgrades approved in the Transmission Planning Process.
  - Effective at end of PRR process.
  - Projects are not responsible for paying for Assigned Network Upgrades that are later approved in the annual Transmission Planning Process. Generator Interconnection Agreements are usually amended to remove payment and security requirement for such upgrades, and it is understandable that those amendments can require a reasonable timeframe. This PRR is needed to ensure that any increased financial-security requirements (e.g., for a new second or third posting) occurring between TPP approval of the upgrade and the subsequent GIA amendments should not include the cost of the TPP-approved Network Upgrade
- Initial comments:
  - 10/13, Bonnie Blair (Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, CA)
  - 10/15, Raeann Quadro (Gridwell Consulting)
- Initial comment period expired: October 15, 2025
- Next step: On Hold This PRR is on hold to give the CAISO an opportunity to develop language that better accomplishes LSA's purpose.

Generator Management

PRR	PRR Title	Stage
1643	Limited Operation Study Deliverability Clarification	Initial
1645	Commercial Viability Criteria PPA demonstration	Initial

PRR 1643 – Limited Operation Study Deliverability Clarification

- Reason for revision
  - Submitted by Susan R. Schneider, Phoenix Consulting
  - Clarify that projects receiving permission to operate before all upgrades are complete, pursuant to a Limited Operation Study, can provide Resource Adequacy under specific circumstances even though all of their Assigned Network Upgrades are not yet complete.
  - Effective at end of PRR process.
  - CAISO rules usually require that all Precursor and Assigned Network Upgrades be complete before a project with a TPD Allocation receives its applicable FCDS or PCDS designation. However, projects can interconnect and operate before completion of all their reliability-related upgrades pursuant to a Limited Operation Study.
  - This PRR is needed to clarify that such projects can receive FCDS or PCDS, as applicable, once their deliverability-related upgrades are in service, even if reliability-related upgrades are not yet complete. If the project can operate without the incomplete upgrades, they should be able to provide full RA services.
- Initial comments:
  - 10/15, Raeann Quadro (Gridwell Consulting)
- Initial comment period expired: October 15, 2025
- Next step: On hold

PRR 1645 – Commercial Viability Criteria PPA demonstration

- Reason for revision
  - Submitted by Susan R. Schneider, Phoenix Consulting
  - Clarify that the executed Power Purchase Agreement required for an annual demonstration of continued project compliance with Commercial Viability Criteria need not be the same PPA as provided for the initial or prior demonstration.
  - Effective at end of PRR process.
  - Projects providing executed PPAs to show continued annual compliance with Commercial Viability Criteria are allowed to provide a different PPA than initial or earlier compliance demonstrations, as long as the current PPA meets the other requirements (e.g., requiring RA, and any applicable term or counterparty requirements). This PRR is needed to clarify the acceptability of a new, “substitute" PPA.
- Initial comments:
  - 10/15, Raeann Quadro (Gridwell Consulting)
- Initial comment period expired: October 15, 2025
- Next step: Recommendation comment

Market Operations

PRR	PRR Title	Stage
1641	Ability for CAISO to initiate verification from resource owner	Initial
1650	New Market Automation to prevent Market Disruptions in RTD and STUC	Initial

PRR 1641 – Ability for CAISO to initiate verification from resource owner

- Reason for revision
  - Ability for the CAISO to initiate a data request to verify how the resource owner is checking, monitoring, and/or testing their system and related equipment as required in Tariff Section 8.9.
- Initial comments: None
  - 10/15, John Diep (Southern California Edison)
- Initial comment period expired: October 15, 2025
- Next step: Recommendation comment

PRR 1650 – New Market Automation to prevent Market Disruptions in RTD and STUC

- Reason for revision
  - Introduction of new RTD and STUC market automated logic that allows the market to identify resource constraints that will lead to a market disruption.
- Initial comments:
  - 10/13, Bonnie Blair (Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, CA)
- Initial comment period expired: October 15, 2025
- Next step: Recommendation comment

Reliability Requirements

PRR	PRR Title	Stage
1635	2026 Availability Assessment Hours	Recommendation
1646	Mixed-Fuel Resource FCDS and NQC clarification	Initial

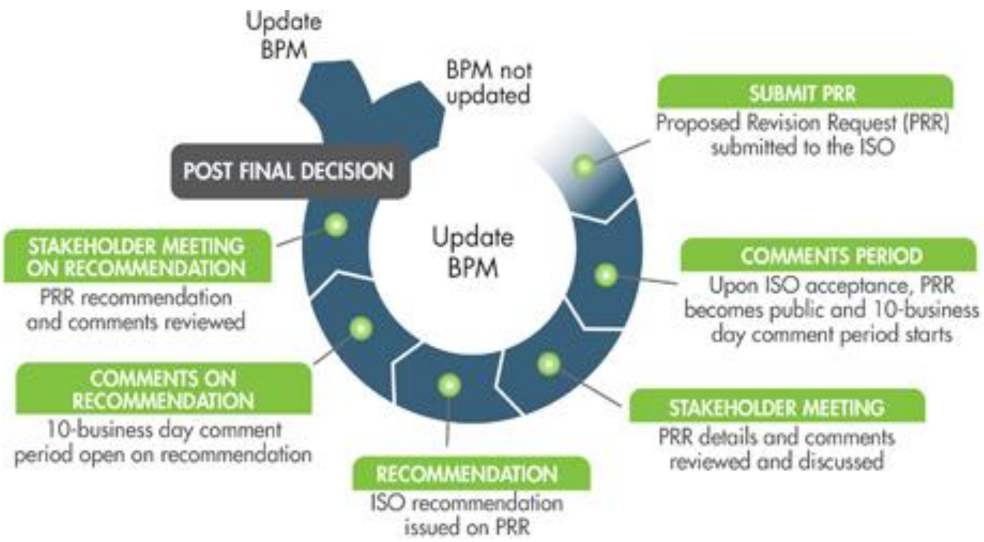
PRR 1635 – 2026 Availability Assessment Hours

- Reason for revision
  - Added availability assessment hours for 2026.
- Recommendation comments: None
- Recommendation comment period expired: October 15, 2025
- Next step: Final decision

PRR 1646 – Mixed-Fuel Resource FCDS and NQC clarification

- Reason for revision
  - Submitted by Susan R. Schneider, Phoenix Consulting
  - Document the CAISO's current practice for determining deliverability status and Net Qualifying Capacity for Mixed-Fuel Resources where both fuel types have been awarded FCDS TPD Allocations, but POI constraints, Local Regulatory Authority (e.g., CPUC) counting rules, and CAISO system limitations prevent them from both being listed as such on the NQC List.
  - Effective at end of PRR process.
  - The CAISO has implemented a complex procedure for managing the shown deliverability status and NQC calculations for Mixed-Fuel Resources where both resources have been found to be fully deliverable but POI constraints, LRA counting rules, and CAISO system limitations prevent them from both being listed as such on the NQC List. This PRR is needed to document the CAISO's procedure so it is transparent to Interconnection Customers, e.g., for their consideration in making PPA and other commitments for the MFR resources.
- Initial comments:
  - 10/15, Raeann Quadro (Gridwell Consulting)
- Initial comment period expired: October 15, 2025
- Next step: Recommendation comment

Next BPM PRR Review Monthly Meeting: November 18, 2025 @ 11:00 a.m. PT



BPM change management
process questions:
Joseph Williamson-Duffney
BPM_CM@caiso.com