

Western state's discussion on Regional ISO governance  
 May 22, 2016, 10:00 am to 1:00 pm, PDT  
 Incline Village, NV

Facilitator: Phil Jones (WA UTC)

Governor policy reps present: Cliff Rechtschaffen, Ruchi Sadhir (OR Gov Policy), Laura Nelson (Utah OED), Keith Phillips (WA Gov Policy), Colin McKee (WY Gov Policy), John Chatburn (Idaho OER, by phone)

Draft Agenda

<b>10:00 – 10:10</b>	<b>1. Introductions</b>
<b>10:10 – 10:20</b>	<b>2. Brief opening comments from each of the Governor's policy representatives, others</b>
<b>10:20 – 10:45</b>	<b>3. Recap of the highlights of the SLC meeting (Laura and Stacey)</b> <ul style="list-style-type: none"> <li>a. Key Takeaways and follow-up since then</li> <li>b. Review the fundamental or threshold issues for this group: define more clearly the state authorities vs. ISO authorities, including state vs. FERC authorities; provide high-level advice to Cliff and CA authorities who will draft actual bill language; ongoing work on ISO governance to flesh out details; or build trust and credibility among the Western states</li> </ul>
<b>10:45-11:15</b>	<b>4. Timetable and process for potential California legislation (led by Cliff, assisted by Florio)</b> <ul style="list-style-type: none"> <li>a. Basic structure of legislation – how high level? How detailed?</li> <li>b. Process for “fleshing out” details of Governance after September 1<sup>st</sup> – authority, who leads and facilitates, who participates</li> <li>c. Scenario for future process if, for whatever reason, no ISO Governance legislation is passed by that date.</li> </ul>
<b>11:15-11:25</b>	<b>Break</b>
<b>11:25 – 12:10</b>	<b>5. Western States Oversight Committee</b> <ul style="list-style-type: none"> <li>a. RSC model vs. OMS model (if RSC-SPP folks are here and available, they can speak here)</li> <li>b. Full voting members</li> <li>c. Associate members – consumer advocates, energy siting authorities</li> <li>d. Scope and authority on policy positions as a collective body, filings at FERC</li> <li>e. Reservation of state authority</li> <li>f. Voting procedures – majority voting with quorum; 2/3 vote required for certain higher level issues</li> <li>g. Issues potentially reserved to Committee: resource adequacy (RA) for the IRP states; cost allocation methodology for new transmission lines; and reserving CPCN authority (for TX siting) for those states that have it.</li> </ul>

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	<ul style="list-style-type: none"> <li>h. Long-term capacity markets – clear that the regional ISO will not address this issue</li> <li>i. Role of BPA, WAPA, and public power utilities (if market participants in either PTO or EIM, how to handle?)</li> <li>j. Hybrid model – may propose a couple of options here</li> </ul>
<b>Get lunch, continue working....</b>	
<b>12:10 – 12:40</b>	<p><b>6. Discussion of Flo-Jo 3 document, with a focus on some of the following areas for ISO Board and governance issues (Phil, Mike)</b></p> <ul style="list-style-type: none"> <li>a. ISO Board structure and issues – assume Hybrid Board with Transition Period</li> <li>b. Size</li> <li>c. Voting procedures of Board</li> <li>d. Role of potential Members' Committee</li> <li>e. Staggering of terms – transition period</li> <li>f. Role of executive search firm (only for independent Board members? Or for 5 non-CA state appointed members?)</li> <li>g. Legal standing of regional ISO (vs. current status as California public benefits non-profit organization). Current federal IRS standing as 501-c-3 will continue</li> </ul>
<b>12:40-12:50</b>	<p><b>7. Consumer-advocates and other stakeholder interests (Florio)</b></p> <ul style="list-style-type: none"> <li>a. Binz proposal for a CAPS-like (PJM) funding mechanism for C-A's</li> <li>b. Intervenor funding</li> <li>c. Environmental NGO's</li> <li>d. Other key stakeholders: IPP's and merchant generators; other state agencies.</li> </ul>
<b>12:50-1:00</b>	<p><b>8. Concluding thoughts and Action Items (Cliff, Laura, Phil)</b></p>