

February Monthly Meeting

Thad LeVar

Woori Lee

Bonnie Lamond

Teleconference

February 10, 2023

Agenda

- **Welcome Remarks and Announcements** – *BOSR Chair LeVar*
- **2023 Policy Initiatives Catalog** – *Greg Cook, Executive Director, Market and Infrastructure Policy, California ISO*
- **Next Steps**

Greg Cook

Executive Director, Market and Infrastructure Policy, California ISO



California ISO

Preliminary DRAFT Policy Initiatives Roadmap 2023 - 2025

Body of State Regulators Meeting
February 10, 2023

Greg Cook

Executive Director, Market & Infrastructure Policy

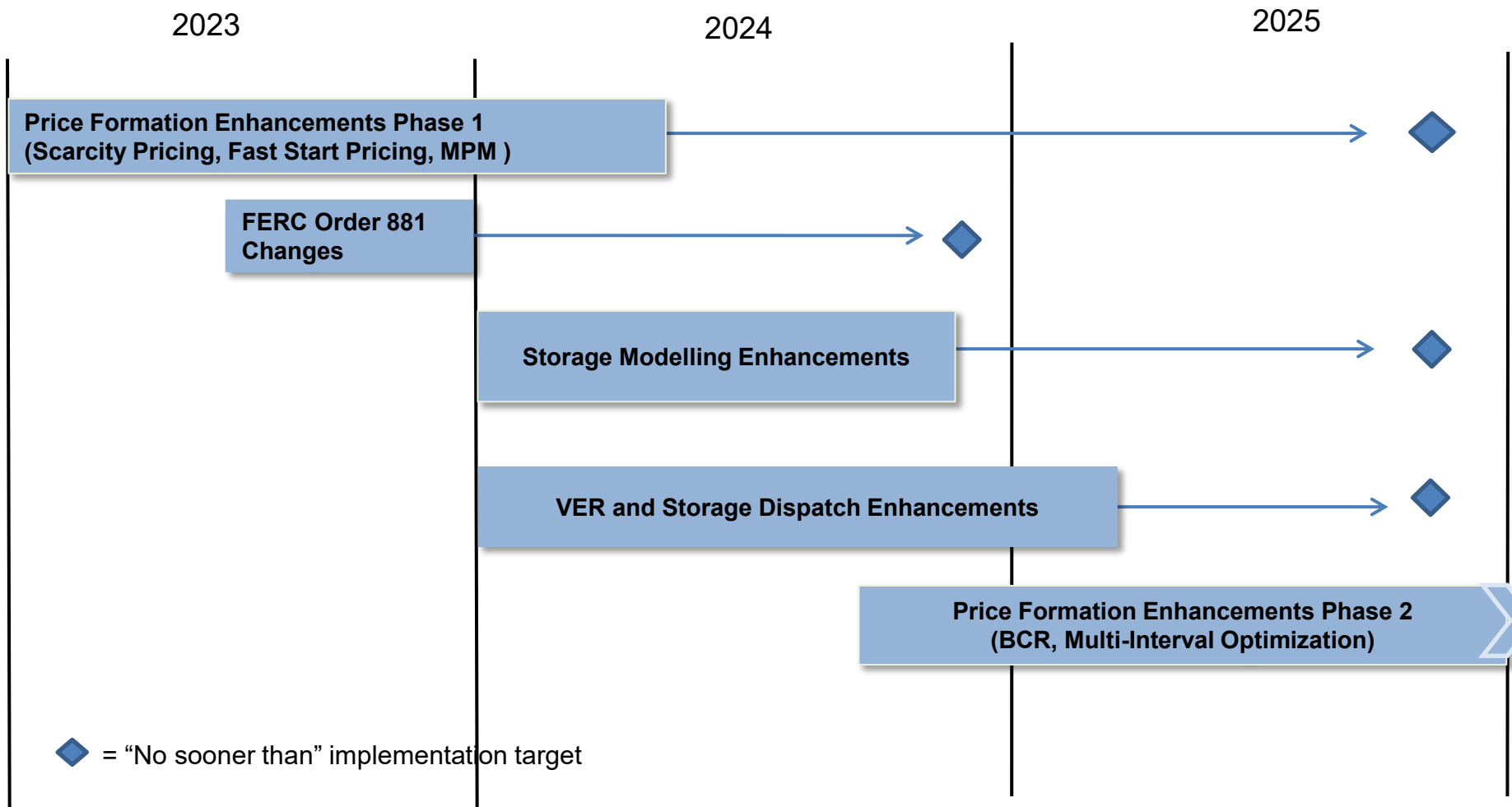
gcook@caiso.com

Reliably and Efficiently Integrate New Resources by Proactively Upgrading Operational Capabilities

- Includes initiatives focused on improving the modeling of resources to better reflect their economic and physical characteristics
- Two phases of Price Formation Enhancements including scarcity pricing, MPM, fast start pricing, BCR and MIO
- FERC Order 881 changes will require a relatively straightforward policy initiative process, but significant implementation
- VER and Storage Dispatch Enhancements will focus on operational control and tools, especially ramp rate considerations

Critical Strategic and Tactical Objectives: 1

Reliably and Efficiently Integrate New Resources by Proactively Upgrading Operational Capabilities



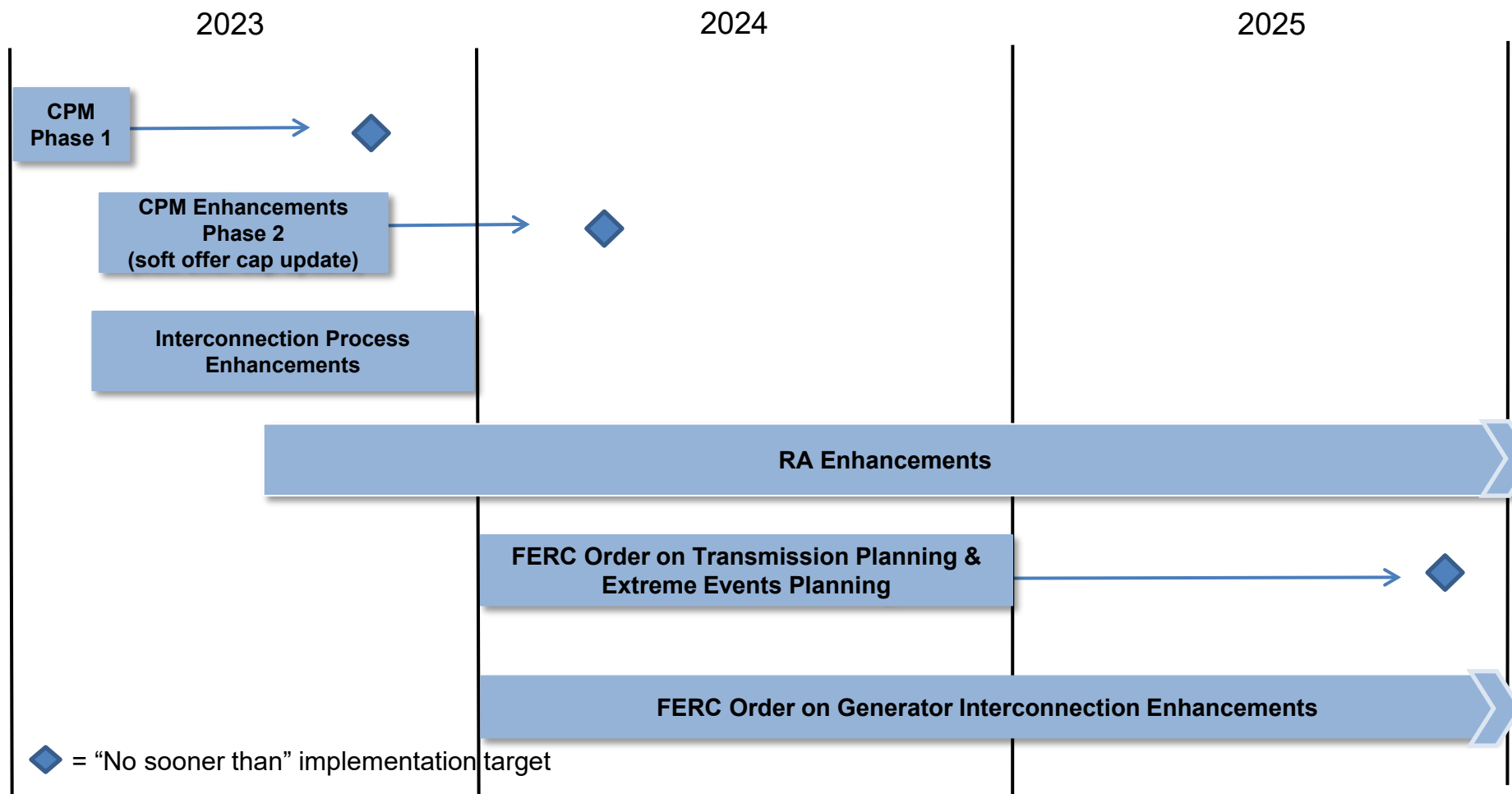
◆ = "No sooner than" implementation target

Strengthen RA and Meet California's SB100 Goals Through Long-Term Transmission Planning and Effective Coordination with State Agencies

- Resource Adequacy Enhancements initiative will begin upon development of a holistic assessment of CPUC policies and CAISO needs
- Changes to the Capacity Procurement Mechanism soft offer cap required by Tariff
- Initiatives are anticipated in 2024 to respond to FERC orders on transmission planning and extreme events, and generator interconnection enhancements

Critical Strategic and Tactical Objectives: 2

Strengthen Resource Adequacy and Meet California's SB100 Goals Through Long-Term Transmission Planning and Effective Coordination with State Agencies

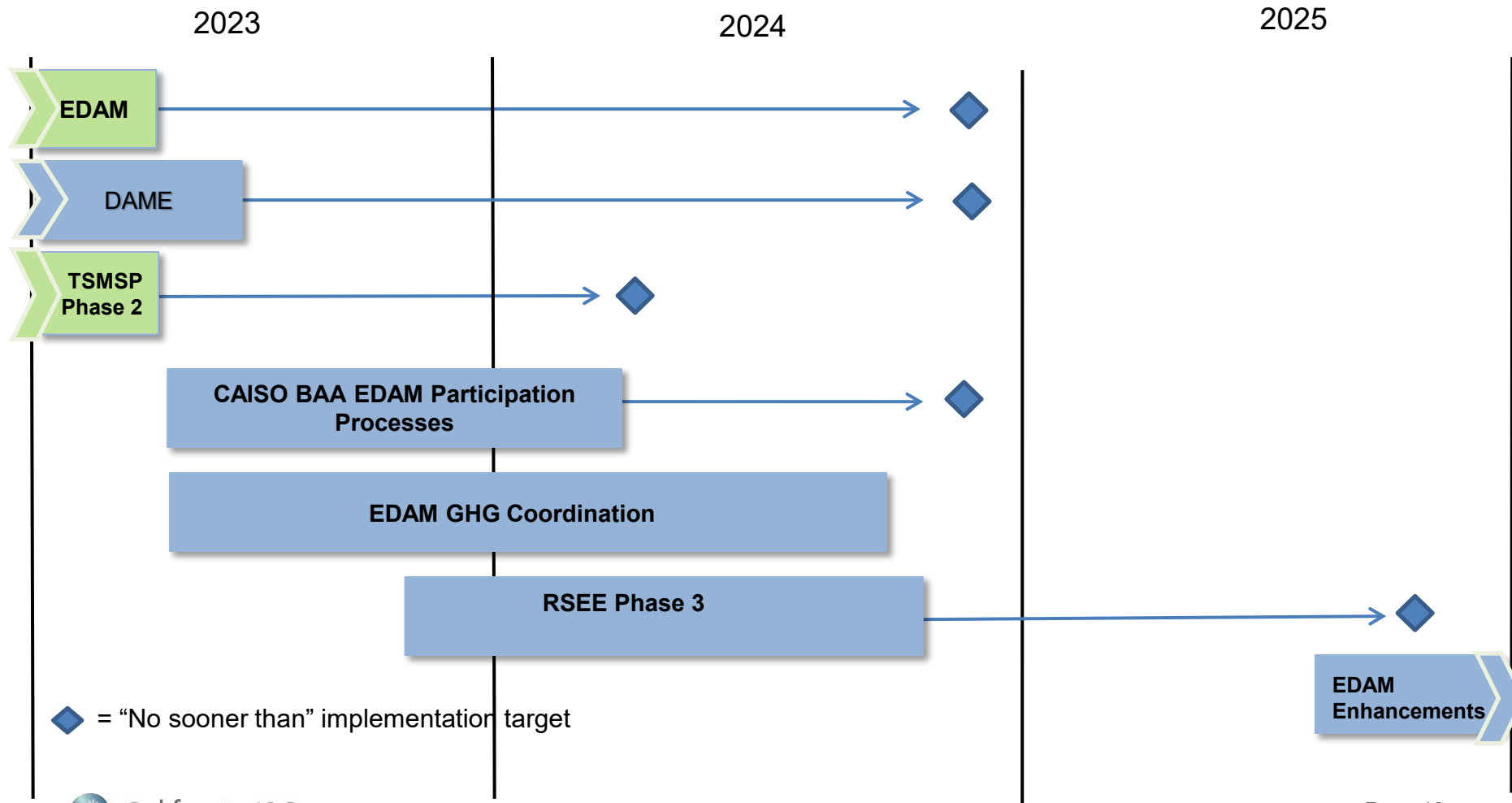


Build on the Foundation of the Western Energy Imbalance Market to Further Expand Western Market Opportunities

- Initiatives focus on expanding the Day Ahead market and making enhancements to the WEIM are included under this goal
- EDAM, DAME, and TSMSP are targeted for Board and Governing Body approval in the coming months but are included here to reflect the significant implementation effort of those changes
- Anticipated initiatives to develop enhancements to EDAM and the EDAM RSE, to establish processes for CAISO BAA participation in EDAM, and to address coordination across GHG areas are included

Critical Strategic and Tactical Objectives: 3

Build on the Foundation of the Western Energy Imbalance Market to Further Expand Western Market Opportunities



◆ = "No sooner than" implementation target

Other Initiatives Ongoing and Upcoming

- DER/DSO Action Plan
- Changes to Subscriber PTO Participation Rules
- Enable Western to Sell Transmission Rights
- Market Parameter Change Enhancements
- Rules of Conduct Changes to Address Metering Penalty Issues
- Minimum State of Charge Extension
- Hybrid Resource Enhancements
- Generator Connectivity Challenges/Enhancements

Initiatives Removed or Excluded from the Roadmap

- Jointly Owned Unit Modeling
- Southern CA Cities Transmission Scheduling Enhancements

Next Steps

Date	Milestone
February 8	Regional Issues Forum
February 13	Publish Draft Roadmap and Catalog
February 21	Stakeholder Meeting
February 27	Comments Due
March 29	Publish Draft Final Roadmap and Catalog
May 17	Board/ WEIM GB Public Session Briefing

Bonnie Lamond

Program Manager – Wholesale Electricity Markets

BOSR Monthly Meeting

Friday, March 10, 2023 at 10:00 AM MDT / 9:00 AM PDT

Spring 2023 WEIM Body of State Regulators Meeting

Wednesday, April 12, 2023 at 9:00 AM - 11:00 AM PDT

Hyatt Regency Lake Tahoe Resort, Incline Village, Nevada

Hotel and meeting information will be posted on the BOSR meeting page