

# **RESOLUTION OF THE WEST-WIDE GOVERNANCE PATHWAYS INITIATIVE ASSOCIATION**

## **ESTABLISHING THE FORMATION COMMITTEE**

The West-wide Governance Pathways Initiative Association (“Association”) hereby approves as follows, to be effective on December 2, 2024 (“Effective Date”):

### **RECITALS**

The Association, in consultation with the entire Launch Committee, has approved the Phase II Step 2 Proposal as of November 22, 2024. Step 2 requires further action to complete details and prepare for implementation and formation of the Regional Organization. Meanwhile, Step 1, as recommended by the Launch Committee and approved by the CAISO Board of Governors and the WEM Joint Governing Body, is being implemented pursuant to the Launch Committee Step 1 proposal.

The Launch Committee has determined that creation of a subcommittee would be effective for further implementation activities as described in the Phase III work plan. The Launch Committee has reviewed the proposed list of Formation Committee members listed on **Attachment A**, and finds the persons to be well-qualified and suited to serve the interests of the Launch Committee throughout Phase III of the Pathways Initiative.

The Launch Committee has reviewed the proposed Charter for the Formation Committee included as **Attachment B**, and finds it to set forth procedures for undertaking further implementation activities to complete Phase III in a transparent manner. The Formation Committee members, pursuant to the Charter, will draft documents and procedures as necessary and efficient to continue to prepare for creation of the Regional Organization, subject to conditions incorporated into the Phase II work plan and Launch Committee approval.

The Launch Committee and Global Impact have received initial notice of an invitation to complete the pre-award process for grant funds from the Department of Energy pursuant to the application DE-GD0001039. The Formation Committee has been tasked with coordinating with Global Impact to complete the grant application documentation and to submit the required documentation on behalf of the Launch Committee.

Consistent with the Mission and Charter governing decision-making by the Launch Committee, and after consultation with the non-voting members of the Launch Committee, the Launch Committee finds it is in the best interests of the Association and the Launch Committee to approve the Charter of the Formation Committee and to install its members so they can conduct activities on behalf of the Launch Committee.

THEREFORE, it is hereby resolved:

The Formation Committee is hereby established, the Formation Committee Charter is approved, and the members of the Formation Committee are appointed by the Association as of the Effective Date set forth herein.

BY THE WEST-WIDE GOVERNANCE PATHWAYS INITIATIVE ASSOCIATION

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Kathleen Staks, as Co-Chair

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Pam Sporborg, as Co-Chair

Attachments:

Attachment A, List of Formation Committee members

Attachment B, Formation Committee Charter

**WEST-WIDE GOVERNANCE PATHWAYS INITIATIVE ASSOCIATION  
RESOLUTION—ESTABLISHING THE FORMATION COMMITTEE**

**ATTACHMENT A**

**FORMATION COMMITTEE MEMBERS AND LIAISONS**

**Formation Committee Members**

Kathleen Staks (Western Freedom), Chair  
Michele Beck (Utah Office of Consumer Services), Member  
Alaine Ginocchio (representing Western Resource Advocates), Member  
Evelyn Kahl (California Community Choice Association), Member  
Scott Ranzal (Pacific Gas and Electric), Member  
Jim Shetler (Balancing Authority of Northern California), Member  
Lisa Tormoen Hickey (representing Interwest Energy Alliance), Member

**Liaisons**

Members of the WEM Governing Body, CAISO Board of Governors, and Body of State Regulators are acting as liaisons and are serving in a purely advisory role to the Formation Committee. They are not official or voting members of either the Formation Committee or the Launch Committee, or acting in any decision-making capacity, on behalf of the Formation Committee or their respective bodies.

**BOSR Liaisons**

Commissioner Milt Doumit (Washington Utilities & Transportation Commission)  
Commissioner John Hammond (Idaho Public Utilities Commission)  
Commissioner Darcie Houck (California Public Utilities Commission)

**WEM Governing Body Liaisons**

Andrew Campbell  
John Prescott

**CAISO Board of Governors Liaison**

Jan Schori

# Mission and Charter of the West-Wide Governance Pathways Initiative (WWGPI) Formation Committee

## I. Mission and Purpose

The Mission of the WWGPI Formation Committee (FC) is to collaborate with the CAISO as a subcommittee of the WWGPI Launch Committee (LC), to facilitate the activities required to implement the final Step 2 Governance Proposal approved by the LC to accomplish the transition of the oversight of the current California ISO (CAISO) Western Energy Imbalance Market (WEIM) and the proposed Extended Day Ahead Market (EDAM) from the Step 1 primary authority under the WEM Governing Body to the proposed Step 2 sole authority under an independent Regional Organization (RO)<sup>1</sup>. Membership on the FC will consist of a subset of the LC and be assisted by a less than quorum of the WEM Governing Body and CAISO Board of Governors serving as liaisons. Its activities will be governed by the Step 2 Governance Proposal as those details may be considered by the LC from time to time.

The FC will provide periodic updates to the full LC on progress on the transition effort. Deviations from the approved Step 2 Governance Proposal will be brought back to the full LC for discussion and approval before implementing the activity.

### Goals and Objectives

The FC, in collaboration with the CAISO, will develop a detailed plan to implement the transition from Step 1 to Step 2. The activities associated with this plan will be in two general categories:

- Category 1: Preparation activities that will consider and plan for support of the transition but that will not actually form the new organization (prior to California legislation enactment).
- Category 2: Implementation activities that will form the new organization (post California legislation enactment and filing of necessary tariff amendments at FERC).

Appendix A provides an initial draft list of activities by category for the FC to consider, amend, and supplement from time to time to fulfill the mission and purpose. The implementation plan will be reviewed with and approved by the LC, with significant changes to be brought back to the LC for concurrence from time to time.

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<sup>1</sup> The FC has no role in the current oversight of the CAISO markets and will respect the duties and responsibilities of both the CAISO Board of Governors and the WEM Governing Body during this transition.

## **II. General Guidelines for Operation of the Formation Committee**

### **A. Committee Roles**

The FC will implement the Step 2 Governance Proposal in coordination with the CAISO staff. The FC will provide periodic updates to the LC on the status of its progress in meeting the developed transition plan. The FC will also provide periodic stakeholder updates using the LC stakeholder engagement process.

Deviations from the approved Step 2 Governance Proposal will be brought back to the full LC for discussion and approval before implementing the activity. Major milestone activities<sup>2</sup> will be reviewed with the LC for input and feedback.

### **B. Chair/Co-chairs**

- The members of the FC will select a Chair or Co-Chairs, who will have the following duties:
  - Preside over meetings;
  - Manage and facilitate the FC's workload and schedule;
  - Ensure the quality and timely completion of any deliverables of the FC, including but not limited to any majority and minority opinions;
  - Serve as the primary FC contact for any project management or other outside consultants, should the FC select one or more to assist with the responsibilities above: and
  - Serve as the primary public contact for the FC.

A Member of the FC may move to change Chair/Co-chairs at any time.

### **C. Workgroups of the Committee**

- The FC may form Workgroups (or Subcommittees) as necessary.
- These Workgroups may identify a Chair/Co-Chairs.
- Workgroups may include membership from outside of the FC or hired contractors, but any such membership shall be approved by the FC.
- Workgroups may invite outside participants to meetings or projects, but such participation should be noticed to the Workgroup.

### **D. Facilitation**

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<sup>2</sup> Major milestones will be identified as part of the implementation plan. These might include such items as the final nominating committee process, preparation of corporate organizational documents, proposed RO Board slate, and etc.

The FC may seek to obtain formal facilitation services, either via a contract or through a FC member, to ensure the process is well managed and documented.

### **III. Membership and Formation**

#### **A. Selection, Number, and Term**

The FC will consist of up to ten (10) members of the LC and be assisted by a less than quorum of the WEM Governing Body and CAISO Board of Governors serving as liaisons. The LC members on the FC will be chosen to reflect a cross-section of the LC participants that also have an interest and ability to participate in the details of the Regional Organization formation. The FC shall have the discretion to make modifications to the composition and number of the FC. The work for the FC is expected to last approximately 12-15 months and no terms are envisioned. Vacancies created by a member departure will be filled by either the LC or WEM Governing Body as appropriate.

#### **B. Compensation and Reimbursement**

Members of the FC from the LC will serve in their committee role without compensation or reimbursement. All costs associated with travel to and attendance at FC meetings, or otherwise related to FC membership is the responsibility of the members or their affiliated entities, unless and until funding is secured, and a budget approved for, assistance for FC member entities with limited funding, as defined by the LC. Liaisons from the WEM Governing Body and CAISO Board of Governors will be compensated in accordance with CAISO policies and procedures.

#### **C. Alternate Committee Members**

FC members are encouraged to maximize attendance at FC meetings. Alternates are not considered to be appropriate for the work of the FC. An FC member may designate another FC member as a proxy if needed for discussions or voting.

#### **D. Removal of Members Prior to Completion of the Committee's Work**

The FC may by three quarters (75%) vote of the full FC, remove a member of the FC for failure to perform his or her duties or comply with the applicable provisions of this Charter.

### **IV. Meetings of the Committee**

#### **A. Time and Place**

The FC will fix its own time and place of meetings and may prescribe its own meeting processes. The FC also may meet by phone or web conference, or at any other location geographically located in the Western Interconnection.

#### **B. Decision-making**

The FC is formed as a body to implement the recommendations of the LC and as such is not a decision-making entity. The FC will strive to implement its activities through consensus. The Chair/Co-chairs will seek to move forward activities in the absence of objection. Where a FC member objects to a proposed activity, the committee will seek to resolve the objection. Options to resolve the objection include tabling an issue or pursuing specific additional research or outreach. If, in the opinion of the Chair/Co-chairs, a workable consensus is unlikely to be reached even with these options, the issue may be taken back to the LC for further direction and/or a vote.

### **C.Public Processes and Comments**

The FC will actively seek public comment on its activities as part of its periodic updates facilitated through the LC processes. The FC shall cause to be maintained an electronic repository with electronic access that will include public work products of the FC and all written public comments.

### **D.Administrative and Other Support**

The LC expects that the FC will arrange for its own administrative support for the FC so that it may conduct its business and fulfill its responsibilities, which will include general office and communications support, with funding provided by the LC or direct volunteer contributions. Along with facilitation support, administrative support may be assumed by a contracted or partner organization.

## Appendix A

### Initial List of Proposed FC Activities

#### Category 1: Preparation Activities (Fall 2024 => CA Legislation Enactment, Fall 2025)

The FC will prepare initial recommendations and organization of tasks which would be necessary to prepare to undertake actions, consistent with the LC approved Step 2 proposal, to form the RO as a functioning body, contingent upon authority being provided under legislative changes in California and by appropriate federal regulators. This will include such tasks as:

- Finalize selection of FC participants and stand-up committee
- Develop detailed plan (including scope, schedule, and cost) for transition from Step 1 oversight to Step 2 oversight
  - Coordinate with CAISO on cost-of-service study for initial RO
- Finalize NC process and procedure for RO Board selection
- Finalize RO stakeholder process
- Coordinate with CAISO on development of initial tariff changes to authorize the RO
- Coordinate with CAISO on development of service level agreement between CAISO and RO
- Retain experts and develop incorporation documents for new 501.C.3 RO (bylaws, IRS docs, etc.)
- Coordinate with consumer advocates on formation of 501.C.3 Consumer Advocacy Org. (CAO)
  - Includes defining roles, processes, and structure of the CAO
- Develop position descriptions for RO Board members and initial RO staff
- Select executive search firm for RO Board and staff selection process
- Coordinate with BOSR to define roles, processes, and structure for BOSR going forward

#### Category 2: Implementation Activities (CA Legislation Enacted, Fall 2025 => 2<sup>nd</sup> Quarter 2026)

Assuming authority is provided under legislative changes in California and by the appropriate federal regulators, the FC will finalize detailed recommendations and undertake actions, consistent with the LC approved Step 2 Proposal, to form the RO as a functioning body. These actions will include such tasks as:

- File RO incorporation documents with the state of incorporation (Delaware) and to request certification as a non-profit 501(c)(3) organization from the Internal Revenue Service
- Initiate the NC process
  - Seat the NC
  - Execute contract with executive search firm
  - Create proposed slate of initial RO Board
  - FC approve the slate
- On board RO Board
- Initiate RO staffing selection
  - Initiate selection process
  - Coordinate with RO Board on finalizing selection
  - On board executive staff
- CAISO files FERC tariff amendments
- Finalize BOSR seating
- Seat CAO