

West-Wide Governance Pathways Initiative

Monthly Stakeholder Meeting
June 28, 2024



West-Wide Governance Pathways Initiative

Agenda

1. Welcome and agenda review (Kathleen)
2. Step 1 Update (Kathleen)
3. Step 2 Workshops (Evie and Spencer)
4. Step 2 Timeline (Evie and Spencer)
5. Budget Update (Jim and Lisa)
6. Public Comment
7. Next Stakeholder Meeting and wrap up (Kathleen)

Step 1 Update



Pathways Initiative

Stepwise Process

Step 1

Elevate WEIM/EDAM Governing Body authority in the governance of existing CAISO energy markets

Step 2

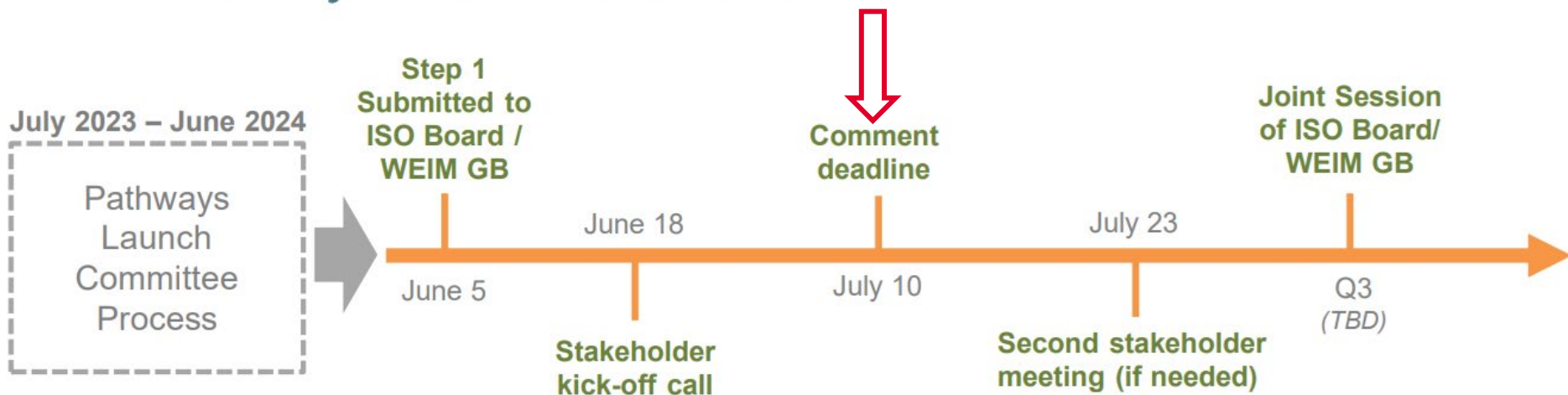
Transfer governance authority over existing energy markets from CAISO to a new Regional Organization

Step 3

Continue expanding the scope of regionalized functions and services offered by the Regional Organization

CAISO Step 1 Stakeholder Process/Timeline

ISO Policy Initiative Stakeholder Process



- Comment template and additional information is available on CAISO stakeholder page: [California ISO - West-wide governance pathways - step 1 \(caiso.com\)](https://www.caiso.com/california-iso-west-wide-governance-pathways-step-1)

An aerial photograph of a winding river in a dry, hilly landscape. The river is dark and flows through a light-colored, textured terrain. The hills are rounded and the river has several sharp turns. The overall tone is muted, with a greyish-blue overlay.

Step 2 Workshops



Review of Step 2 Workstreams

- Stakeholder Process:
 - Leads: Pam Sporborg and Kathleen Staks
 - Example issues: policy topic framing, sector-based approaches
- CAISO Issues:
 - Leads: Spencer Gray and Evelyn Kahl
 - Example issues: RO financial liability, contract privity
- Existing Tariff Analysis:
 - Leads: Tony Braun and Scott Ranzal
 - Example issue: balancing authority function identification
- Public Interest Issues:
 - Leads: Carl Linvill and Kathleen Staks
 - Example issue: BOSR evolution, consumer advocate role
- RO Formation:
 - Leads: Lisa Hickey and Evelyn Kahl
 - Example issue: form of incorporation
- RO Governance:
 - Leads: Jim Shetler and Jan Smutny-Jones
 - Example issues: RO board nomination, RO funding source



Workshop Schedule and Topics

- **July 25 (9AM-11AM PT/10AM-12PM MT/11AM-1PM CT): RO Formation and Governance**
 - State of incorporation, Principal place of business, RO entity formation status
 - For shared authority, RO Board and CAISO BoG joint sessions; nominating and selection process for RO Board; number of RO Board seats; seats reserved for particular sectors; transition from the WEIM GB to RO Board process; any pre-launch of the RO prior to legislation
 - Comment period: July 25-Aug 8
- **July 31 (9AM-11AM PT/10AM-12PM MT/11AM-1PM CT): Public Interest**
 - Role of States Committee and Consumer Advocates
 - Comment period: July 31-August 14
- **August 5 (9AM-3PM PT/10AM-4PM MT/11AM-5PM CT): Tariff Analysis and CAISO Issues**
 - Authority/rights retained by CAISO; RO compliance, financial obligations, liability; RO/CAISO staffing structure
 - Tariff provisions that would fall under the RO Sole Authority; Decisional process for making the determination when addressing new market design, other initiatives, or “new services”; shared authorities under certain instances and what those provisions may be
 - Comment period: Aug 5-Aug 19



Workshop Logistics

- All workshops are open to all stakeholders
- All workshops will be virtual and recorded
- All workshops will have a 2 week written comment period (Stakeholder Process workshops will have a slightly modified comment cadence)
- Workshop dates and Zoom links, materials, recordings, and stakeholder comments will all be posted on the WIEB landing page



Stakeholder Process Workstream

- The Stakeholder Process workstream is large enough that the Launch Committee has broken it out slightly separate from the other Step 2 workstreams
- It is expected to have a longer timeline than the other workstreams and will likely continue through the end of 2024
- Gridworks will be supporting the work by the Launch Committee in this workstream from a research and a workshop facilitation basis
- To ensure that a diverse set of perspectives and voices are included in this workstream, some non-Launch Committee members have been asked to participate in this workstream as well





Pathways Initiative
Stakeholder Engagement Workstream

Gridworks Contributions to the Stakeholder Engagement Workstream

June 28 | 10:30am (PDT)



Overview

- The Pathways Initiative is exploring new ways for stakeholders to shape the policies and practices of the anticipated Regional Organization (RO)
- Gridworks is supporting this effort by:
 - a. preparing a briefing document summarizing and comparing how comparable organizations and initiatives conduct stakeholder engagement
 - b. facilitating a series of workshops between July and September to gather stakeholder input
 - c. summarizing input received through the workshop for the benefit of the Pathways Initiative

Gridworks would like to thank the Arthur M. Blank Family Foundation for the generous support of our time and expenses in supporting the Pathways Initiative.

Introductory Information

- What are different stakeholder process types?
- What are common elements in stakeholder engagement processes?
- What are common complaints in stakeholder engagement processes?
- What does FERC Order 719 require of stakeholder processes?
- What questions might stakeholders take up to further the goals of building consensus/agreement in support of a stakeholder engagement process for the Regional Organization?

Comparative Information: how stakeholder engagement examples from CAISO, SPP, WRAP, MISO, PJM, NYISO and ISO-NE, including the the following elements:

1. Policy topic selection: who selects among a list of competing priorities for stakeholder attention?
2. Originating policy framing: who first presents a problem statement and solution range?
3. Stakeholder-led workshops: who has responsibility for facilitating discussion and moving an agenda forward?
4. Voting: does stakeholder engagement include voting? If so, how frequently should sector-based voting be scheduled?
5. Sector definitions: how should sectors be established and defined and weighted for voting purposes?
6. Standing and ad hoc committee status: what sort of forums or committees do sectors used to organize themselves?
7. Selectivity of bottoms-up stakeholdering: how often and (possibly) through what nomination process are topics subject to a stakeholder-driven process?

Four (4) Facilitated Stakeholder Workshops

- Core Question: How best to structure the stakeholder process for providing input into the Regional Organization's consideration of market rules?
- Meeting Platform: Virtual, Zoom
- Meeting Duration: 2-3 hours each, adjusted as needed
- Meetings will be interactive. Less presentation and response; more discussion around key questions.
- Meeting Schedule and Arc:
 - a. Meeting #1: Introduction to Briefing Document + Discussion (July 11)
 - b. Meeting #2: How could issues and solutions before the Regional Organization get raised? Who leads? (July 24)
 - c. Meeting #3: What could a sector-based committee and voting structure add? (August 2)
 - d. Meeting #4: Reviewing a Draft Stakeholder Engagement Straw Proposal (August 28)

What to expect from Gridworks workshop summary

- Gridworks will summarize insights gained through workshops, not editorialize on what should be done
- Summary completed shortly after final workshop
- Summary is a stand-alone document which will be publicly available



HOW CAN WE HELP?

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GRIDWORKS

An aerial photograph of a winding river in a dry, rocky landscape. The river is dark and flows through a light-colored, textured terrain. The text "Step 2 Timeline" is overlaid in the center in a blue, sans-serif font.

Step 2 Timeline



Anticipated timeline for Step 2

- **July-Aug:** Stakeholder Workshops
- **Sep 2-26:** Drafting of Step 2 Draft Revised Proposal
- **Sept 27:** Issue Step 2 Draft Revised Proposal
- **Sept 27:** Open comment period (4 weeks)
- **Oct 4:** Monthly Stakeholder Meeting (review Step 2 Draft Revised Proposal)
- **Oct 25:** Comments due on Step 2 Draft Revised Proposal
- **Oct 28-Nov 14:** Incorporate stakeholder feedback and make revisions to Step 2 Final Proposal
- **Nov 15:** Issue Step 2 Final Proposal
- **Nov 22:** Monthly Stakeholder Meeting (review Step 2 Final Proposal and vote)



Budget Update



Phase II and III Funding Update

- Phase I solicitation resulted in over \$500,000 of contributions. Expect to underrun budget by \$~150,000
- Phase II will consist of work to develop and finalize a Step 2 proposal and is anticipated to run from July-Q4 2024 (Estimate = \$450,000)
- Phase III will consist of work to implement Step 2 and is anticipated to run from fall 2024-Q1 2026 (Estimate = \$636,000)
- The Launch Committee is actively seeking additional donations- if you are able to support this additional work, please contact Jim Shetler at jim.shetler@thebanc.org



Public Comment



Next Stakeholder Meeting

- Given the summer workshop schedule, the next monthly stakeholder meeting will be held from 10:00-12:00 PST on October 4, 2024.
- Stakeholder meeting information and all WWGPI materials are located on the WIEB landing page and can be accessed at: [WWGPI - Western Interstate Energy Board \(westernenergyboard.org\)](https://www.westernenergyboard.org)





Thank You.



West-Wide Governance Pathways Initiative