

Notice

To: Angelina Galiteva, Chair, Board of Governors

John Prescott, Chair, EIM Governing Body

From: Roger Collanton, Vice President, General Counsel and Corporate Secretary

Date: April 9, 2021

Re: Notice of Planned Decisional Classification for "Market Enhancements for Summer 2021

Readiness – Export, Load, and Wheeling Priorities"

Any objection by the Chairs to this decisional classification is due by April 13, 2021.

This is formal notice of Management's decisional classification for the remaining element of the "Market Enhancements for Summer 2021 Readiness" initiative, regarding export, load, and wheeling priorities. Any objection by the Chairs to the decisional classification is due by April 13, 2021. Otherwise, this initiative will be presented for decision consistent with the classification described below.¹

The Market Enhancements for Summer 2021 Readiness initiative proposed to change a range of market rules in order to incent supply during shortages and otherwise support the reliability of the transmission system during summer 2021, while ensuring equitable market outcomes. Three of the proposed changes were presented to the EIM Governing Body for input and approval in March. This remaining element was held for further refinement and stakeholder input.

Management believes that this element falls within the EIM Governing Body's advisory role (E2). The rules to implement the proposed changes are not EIM-specific. Rather, the new rules would be generally applicable to the entire market footprint. This element would modify the tariff about the relative priority in the day-ahead and real-time markets between CAISO balancing authority area load, wheel through self-schedules, and exports. Accordingly, the primary driver for this change is not an issue specific to the EIM balancing authority areas.

The decisional classification for this initiative has not been addressed in a briefing to the EIM Governing Body because the classification was still being developed at the time of the Briefing on Policy Outlook at the January 20, 2021 EIM Governing Body meeting. The final proposal for this initiative is located here. Additional relevant papers for this initiative are located here.

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¹ The process is described in <u>Guidance for Handling Initiatives within the Decisional Authority or Advisory Role of the EIM Governing Body.</u>

Written stakeholder comments on the final proposal, including the proposed classification, were due April 2, 2021. There were no objections received to the decisional classification in the final proposal.

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