

Notice

To: Angelina Galiteva, Chair, Board of Governors
Anita Decker, Chair, EIM Governing Body

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

Date: October 19, 2021

Re: Notice of Planned Decisional Classification for “Decision on maximum import capability enhancements”

Any objection by the Chairs to this decisional classification is due by October 26, 2021.

This initiative proposed tariff amendments regarding the calculation, allocation and usage of maximum import capability or “MIC” among California load-serving entities for planning purposes in assessing resource adequacy. MIC represents the maximum simultaneous deliverability of all imports used in the RA process. ISO Management believes that the EIM Governing Body does not have any decisional authority with respect to the proposed changes to the allocation of MIC, which will go to the Board of Governors for decision in November 2021.

Under the rules adopted by the Board of Governors on September 23, 2021, the Board and the EIM Governing Body have joint authority over any

proposal to change or establish any CAISO tariff rule(s) applicable to the EIM Entity balancing authority areas, EIM Entities, or other market participants within the EIM Entity balancing authority areas, in their capacity as participants in EIM. This scope excludes from joint authority, without limitation, any proposals to change or establish tariff rule(s) applicable only to the CAISO balancing authority area or to the CAISO-controlled grid.

Charter for EIM Governance § 2.2.1.

None of the proposed amendments regarding the allocation of maximum import capability would be “applicable to EIM Entity balancing authority areas, EIM Entities, or other market participants within EIM Entity balancing authority areas, in their capacity as participants in EIM.” Instead, the proposed tariff rules would be applicable “only to the CAISO balancing authority area or to the CAISO-controlled grid.” Accordingly, the proposed tariff changes fall outside the scope of joint authority.

The “EIM Governing Body may provide advisory input over proposals to change or establish tariff rules that would apply to the real-time market but are not within the scope of joint authority.” Id. The proposed tariff revisions, however, also fall outside this advisory role, because they not apply to the real-time market. Rather, the maximum import capability applies only to showings of resource adequacy sufficiency in the month-ahead or year-ahead time frame.

The final proposal for this initiative is located [here](#). Additional relevant papers for this initiative are located [here](#).

The ISO held a stakeholder call on its final proposal on October 18, 2021, with stakeholder feedback through discussion only, without written comments. Staff inquired at that time if any stakeholders had objections to this proposed classification, and there were none.