



# Notice

**To:** Mary Leslie, Chair, ISO Board of Governors  
Rob Kondziolka, Chair, WEIM Governing Body

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

**Date:** March 6, 2023

**Re:** Notice of Planned Decisional Classification for “Capacity Procurement Mechanism Enhancements - Track 1”

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***Any objection by the Chairs to this decisional classification is due by March 13, 2023.***

This is formal notice of Management’s decisional classification for “Capacity Procurement Mechanism Enhancements - Track 1.” Management believes that the WEIM Governing Body does not have a role in this decision. Any objection by the Chairs to this decisional classification is due by Monday, March 13, 2023. Otherwise, the initiative will be presented for decision consistent with this classification.<sup>1</sup>

This initiative addresses five operational and process enhancement issues related to the “capacity procurement mechanism,” which is a fallback mechanism intended to assure that sufficient capacity is available for the ISO’s balancing authority area.

The Charter for EIM Governance provides that the ISO Board of Governors and the WEIM Governing Body will 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.<sup>2</sup>

These proposed rule changes fall outside this scope because they would apply only to the ISO balancing authority area. Moreover, because the capacity procurement mechanism is

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<sup>1</sup> The process is described in the “Guidance Document,” available [here](#).

<sup>2</sup> Charter for EIM Governance § 2.2.1, available [here](#).

not a rule of the real-time market, the WEIM Governing Body would not have an advisory role.

Written stakeholder comments on the revised draft final proposal were due December 20, 2022. No commenter objected that the proposed classification is incorrect under the currently effective rules.

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