Memorandum

To: ISO Board of Governors

From: Joanne Serina, VP Stakeholder Engagement & Customer Experience

Date: December 10, 2025

Re: **Decision on Business Practice Manual (BPM) for BPM Change Management**

This memorandum requires ISO Board of Governors action.

EXECUTIVE SUMMARY

The ISO proposes to modify certain aspects of the Business Practice Manual (BPM) for Change Management, which effectively serves as the bylaws for modifying all BPMs and therefore per the ISO tariff requires Board approval. The ISO's proposed modifications are enhancements intended to provide more transparency to stakeholders on the type and timing of BPM revisions and facilitate better stakeholder engagement.

> **Moved, that the ISO Board of Governors approves the proposed changes to the ISO Business Practice Manual for Change Management, as described in the memorandum dated December 10, 2025.**

DISCUSSION AND ANALYSIS

Where the tariff sets forth the rates, terms, and conditions of service for the ISO, the BPMs specify implementation details at a more detailed level below the tariff. BPMs provide examples, flowcharts, and other instructions that elucidate the ISO's filed rate. The ISO currently has 22 BPMs, including BPMs for generator interconnection, market operations, metering, telemetry, etc. All 22 Business Practice Manuals are posted in the [California ISO BPM Library](#).

While these BPMs are routinely modified by Management without Board approval, the BPM for Change Management serves a unique role in that it establishes the process for these modifications. Accordingly, tariff section 22.11.2 requires that changes to this particular BPM must be approved by the Board.

The ISO frequently updates the BPMs to account for tariff changes or to provide additional guidance on business practices for market participants. Changes are made through a public stakeholder process referred to as a BPM Proposed Revision Request (PRR). This process is described in the BPM for Change Management. For continuity, the ISO does not modify the BPM for Change Management often. Management has elected to modify it at this time to create new BPM revision classifications, statuses, and timing requirements. These enhancements will facilitate better stakeholder engagement and significantly improve transparency for stakeholders.

Specifically, the ISO proposes:

- **Additional PRR review action introduced** – Added a new status for PRRs, "Pending Project Implementation", to better align with project timelines.

- **New PRR status framework** – Added Section 2.7 to define and standardize PRR stages/statuses (e.g., Initial Comment, Pending Recommendation, Final Decision, Appeal Pending).

- **Enhanced impact analysis requirements** – Updated the PRR impact analysis section to require more detailed information on customer, stakeholder, and system impacts, as well as risks and needed support measures.

- **Expanded eligibility for submitting a revision request** – Added ISO BPM owners and coordinators as authorized entities to submit Proposed Revision Requests. (currently limited to ISO Management)

- **Updated timing requirements** – Updated the requirement for a two-business-day market notice for postings to provide additional flexibility for external notification.

- **Outdated regulatory reference removed** – Eliminated reference to FERC reporting for the market redesign and technology upgrade, which is no longer applicable.

- **Category A PRRs timing aligned** – Adjusted timing for Category A (minor) PRRs to reflect standard timing rather than special timelines.

- **General grammar/clarity updates**

POSITIONS OF THE PARTIES

Stakeholders have expressed support for the proposed changes, with no opposition raised during the review process. An overview of the revisions was presented and discussed at two monthly BPM change management meetings held on October 28, 2025, and November 18, 2025. Stakeholders were provided the opportunity to ask

questions, raise concerns, or submit feedback. No feedback or objections were submitted in response to the proposed revision request.

CONCLUSION

In conclusion, the ISO recommends the Board of Governors approves the proposed changes to the Business Practice Manual for BPM Change Management which will streamline and standardize processes and better align process steps with project timelines.