PUGET SOUND ENERGY

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September 4, 2026

Attn: West-wide Governance Pathways Initiative Launch Committee

Re: Puget Sound Energy Comments on August 14, 2026 ROWE Draft Briefing Book

Puget Sound Energy ("PSE") appreciates the opportunity to comment on Draft Chapters 2, 3, 4, 5, and 8 of the Briefing Book (Collectively the "Draft Briefing Book") for the Regional Organization for Western Energy ("ROWE")[1] and the work done by the Pathways Launch Committee ("LC") to assemble the Draft Briefing Book. PSE previously submitted comments on the stand-alone Stakeholder Process Narrative document and incorporates the concerns expressed in those comments by reference on Draft Chapter 8 on Stakeholder Process regarding Board rejection of the final roadmap, decisional authority given to staff to adjust the initial priority post roadmap approval, and uncertainty around determining exigent circumstances in initiative problem statements.[2] In addition to these carryover issues, PSE has concerns regarding the recommendation on the Minority Sector Standard of the Remand process. Further, the Draft Briefing Book should include additional context for Section (B)(3)(b) on representation within the Stakeholder Representative Committee ("SRC") for entities that are not participants in the Western Energy Markets ("WEM") but are scheduling coordinators with transmission rights in the market.

Market Data Sharing Rightfully Includes Confidentiality Protection

Chapter 4 of the Draft Briefing Book includes Section 4 on California Assembly Bill ("AB") 825 compliance and recommendations. Among the recommendations made by the Draft Briefing Book is a Tariff revision to authorize CAISO to provide state specific market information to state agencies with a statutory obligation that requires that information, requiring participating entities to execute a non-disclosure agreement ("NDA") with the ROWE and CAISO to access that information.

This suggestion is sound and consistent with the requirements in AB 825. Requiring an NDA is consistent with reasonable confidentiality provisions and is important as the ROWE will be a multi-jurisdictional entity that spans multiple states which means that structures need to be in place to prevent unnecessary disclosure of sensitive market information. It is important to tailor the information sharing so that EDAM scheduling coordinators and market entities do not have their sensitive information shared with agencies that do not have jurisdiction over or a statutory obligation related to that entity.

[1] The five chapters of the Draft Briefing Book are hosted on the Western Interstate Energy Board Website here: WWGPI - Western Interstate Energy Board
[2] Puget Sound Energy comments on the June 29, 2026 ROWE Stakeholder Process Narrative: https://www.westernenergyboard.org/wp-content/uploads/3.-PSE-Comments-ROWE-Stakeholder-Process-Narrative-7-10-26.pdf

The Minority Sector Interest Remand Process Standard Would Discount Opposition From Small Sectors

Chapter 8 of the Draft Briefing Book includes new sections on the remand process that can result from significant stakeholder opposition in either a sector majority standard or minority sector interest standard when voting on proposals.[3] The minority sector standard specifies that three sectors in deep opposition to a proposal would trigger an automatic remand of the proposal. Deep opposition is defined to require 70% of a sector's votes be in opposition to a proposal. The deep opposition standard also includes a recommended "floor" of at least 5 votes opposed within a sector to count that sector towards deep opposition, along with having at least 20 opposed votes across all sectors. This recommendation creates three thresholds for deep opposition to count, including two flat total floors which can impose barriers for small minority sector interests to use a structure that is meant to protect their interest. This recommendation also creates a discrepancy between the minority and majority standard floors.

The proposed floor of 5, as opposed to 2 for the Sector Majority standard, removes sectors with fewer than 5 participants from ever registering in deep opposition. This could suppress the perspective of the smallest minority stakeholder. Further, the proposal includes a cumulative floor of at least 20 opposition votes across all sectors, with three sectors registering at least 70% of total votes opposed. The additional floor of 5 votes on each individual sector is additional redundancy on top of other structures built to avoid a hair trigger remand, at the consequence of potentially preventing a sector from being considered by the minority standard at all even if 100% of the sector is in opposition to a proposal. This would allow larger sectors to potentially overwhelm the minority interest protection if that minority interest is too small. Footnote 7 on page 33 mentions that the board could adjust the vote floor up if sectors are unduly triggering default remands but doesn't mention adjusting the floor down if strong and deep minority opposition is consistently being discarded due to not meeting the vote floor. A floor of 2 opposition votes is reasonable to avoid a single participant in any sector from driving opposition. The Draft Briefing Book should align the majority and minority sector standard floors recommendation of 2 to 3 votes to avoid making the minority interest standard impossible to reach for the smallest sectors.

The ROWE Should Consider Representation for EDAM Scheduling Coordinators Who Are Not Market Participants Before Fall 2027

On August 25, the Pathways Initiative released an updated draft Chapter 8 with an added Section (B)(3)(b) covering Entities that withdraw from the WEM. This section recommends deferring finding a permanent long-term solution for departing Western Energy Imbalance Market ("WEIM") Entities in the ROWE Stakeholder Process to the ROWE board. While PSE does not object to deferring this evaluation to the ROWE board, the briefing book should include the appropriate context to prime the board for what kind of entity needs representation. Specifically, PSE is referring to WEIM entities who depart from the western energy market as market participants but remain as scheduling coordinators that have transmission rights within the Extended Day Ahead Market ("EDAM") and will not have a voice within the SRC. The Draft Briefing Book should revise the language in Section (B)(3)(b) as follows:

[3] Chapter 8 – Stakeholder Process at pp. 32-34.

> *Certain parties have raised questions about how to address the stakeholder process participation by entities that may be departing the WEM footprint and will not have load or generation in the WEM footprint but will continue to be scheduling coordinators with transmission rights in EDAM. The obvious example of this is current WEIM Entities that have announced an intention to depart the WEM and join Southwest Power Pool's Markets +. These Entities may join Markets+ in implementation waves in October 2027 and October 2028.*
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> *To date, we are not aware of any entity that has filed a Notice of Termination of their participation in the WEIM. Further, we expect the ROWE Board to be seated this year. Given this fluid situation, we believe that a permanent home for departing WEIM Entities in the ROWE Stakeholder Process must be made by the ROWE Board. We believe it is reasonable for a WEIM Entity to stay within the WEIM sector provided that no Notice of Termination has been submitted.*

This additional context is important, as it states the ties that these entities still have to the WEM and further indicates that while no entity has filed a Notice of Termination yet, the deadlines for doing so will be approaching next year. The ROWE board should consider and decide on the durable home for these interests before Fall of 2027, or at least before the ROWE files the ROWE governance tariff which will outline the SRC's structure.

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Please contact Cameron Reed at john.reed@pse.com or (425) 588-9785 for additional information about these comments. If you have any other questions, please contact me.

Sincerely,

/s/ Jessica Zahnow

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