



February Meeting

Chair: Gabriel Aguilera

Commissioner, New Mexico Public Regulation Commission

Vice-Chair: John Hammond

Commissioner, Idaho Public Utilities Commission

February 14, 2025

February Meeting

1. Opening Remarks and Announcements
2. WEM Nominating Committee Update
3. WEIM Q4 2024 Market Benefits
4. 2025 ISO Policy Initiatives Catalog and Roadmap Process
5. Regional Issues Forum Update



Nominating Committee Update

Commissioner Hammond
Idaho Public Utilities Commission



Western Energy Imbalance Market Benefits and Market Update – Q4 2024

Guillermo Bautista Alderete
Director, Market Performance and Advanced Analytics

BOSR Meeting
February 14, 2025

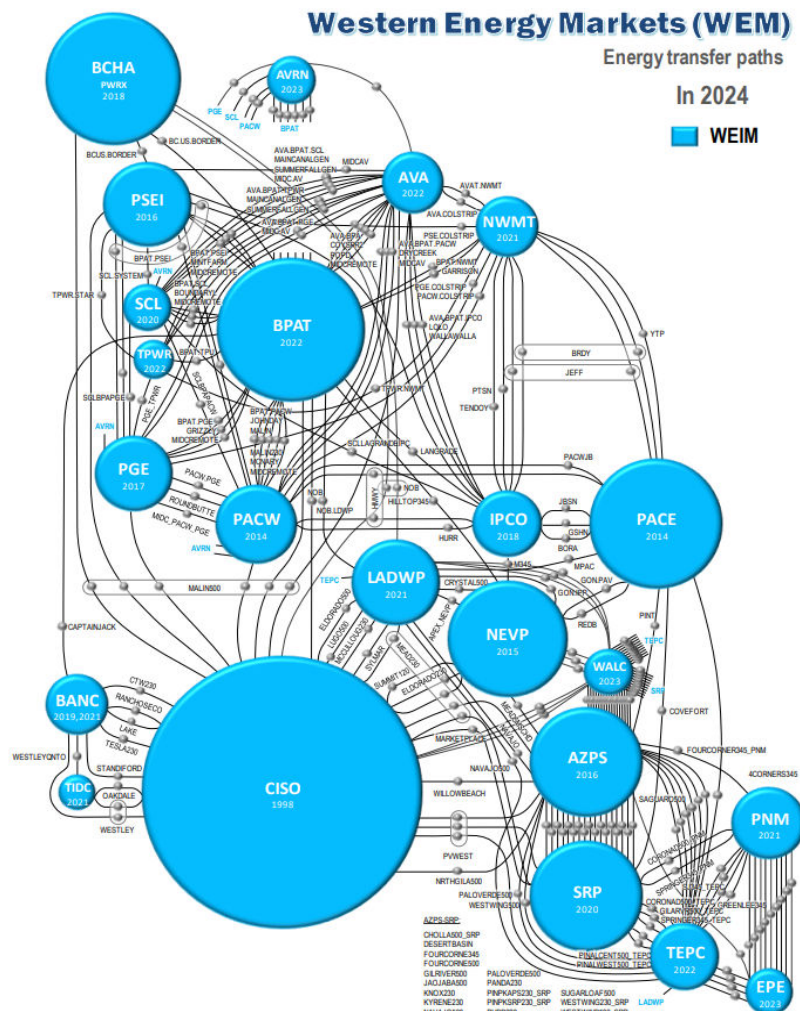
The Western Energy Imbalance Market consists of 23 balancing areas

The market provides:

- Economic benefits from
 - transfers
 - diversity
 - flexible capacity
 - green-house gas avoidance
- Operational benefits from
 - resource diversity
 - management of variability
 - efficient balancing
 - situational awareness
- CAISO reports quarterly on the Economic Benefits

Information available at

<https://www.westerneim.com/pages/default.aspx>

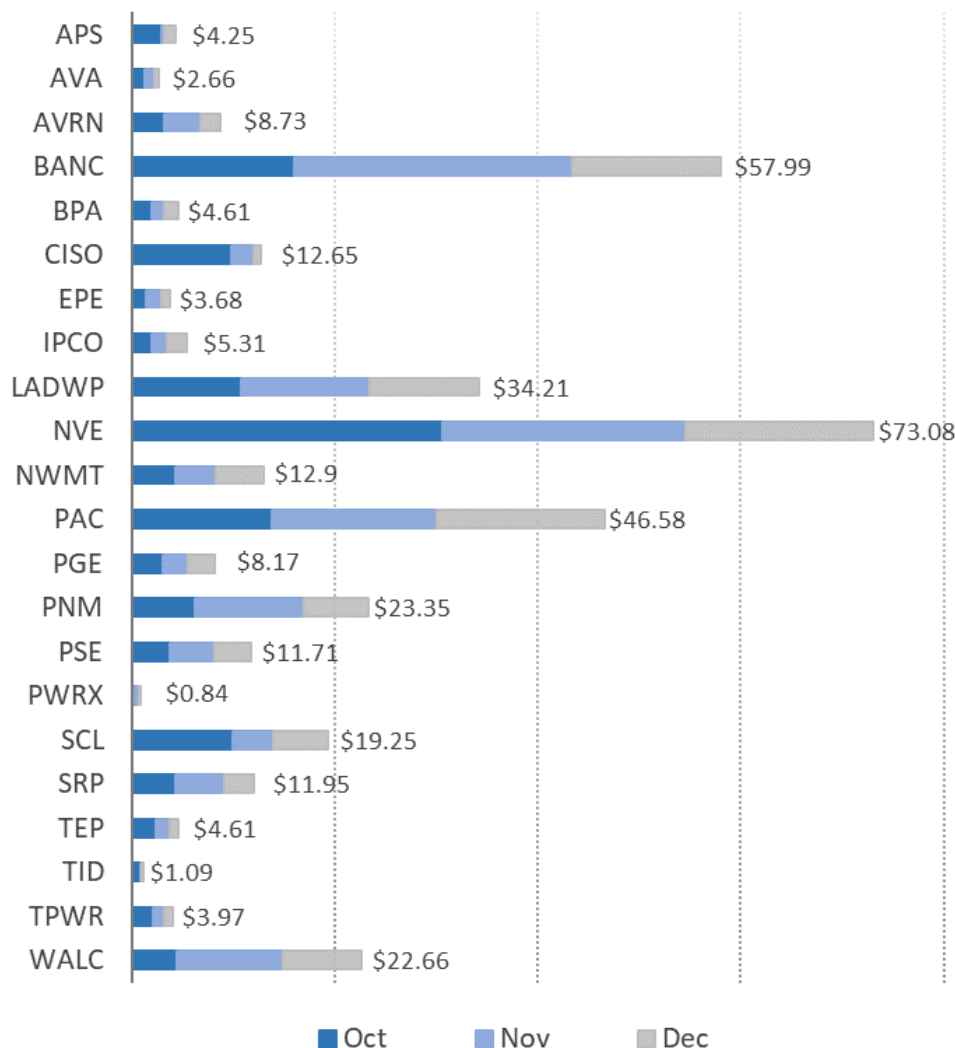


CAISO uses a well established and agreed upon methodology with all balancing areas to estimate benefits

The benefits of the western energy imbalance market is the cost saving or (economic surplus gain) with and without the market



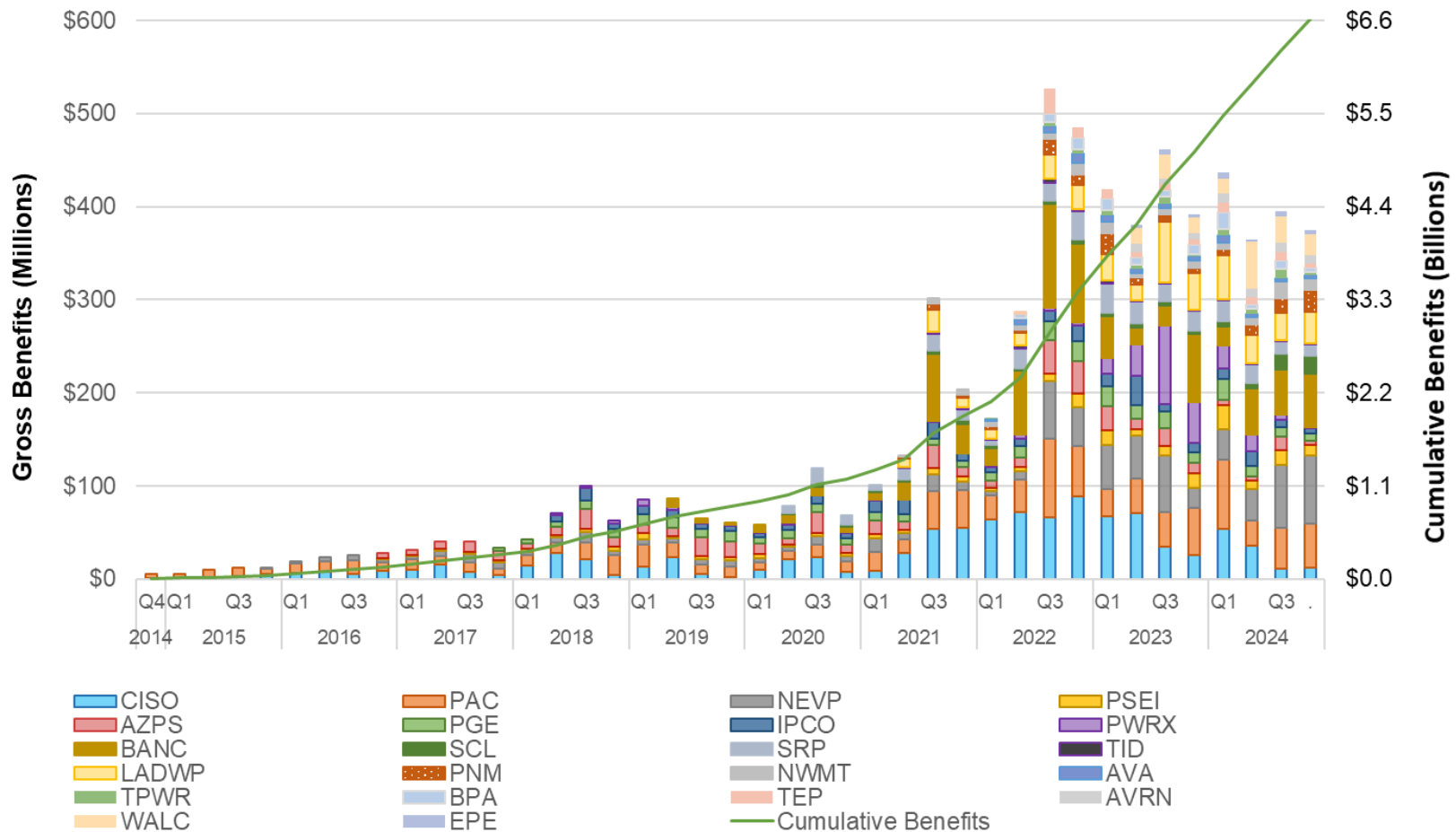
Economic benefits total \$374.25 million in Q4 2024



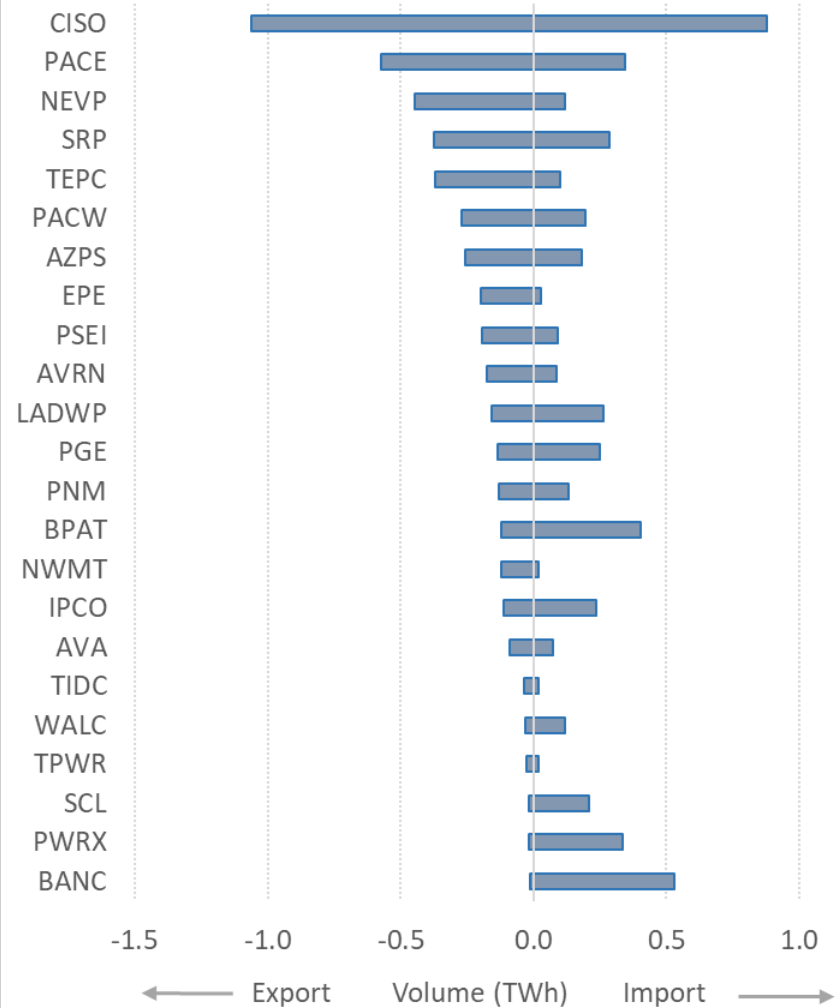
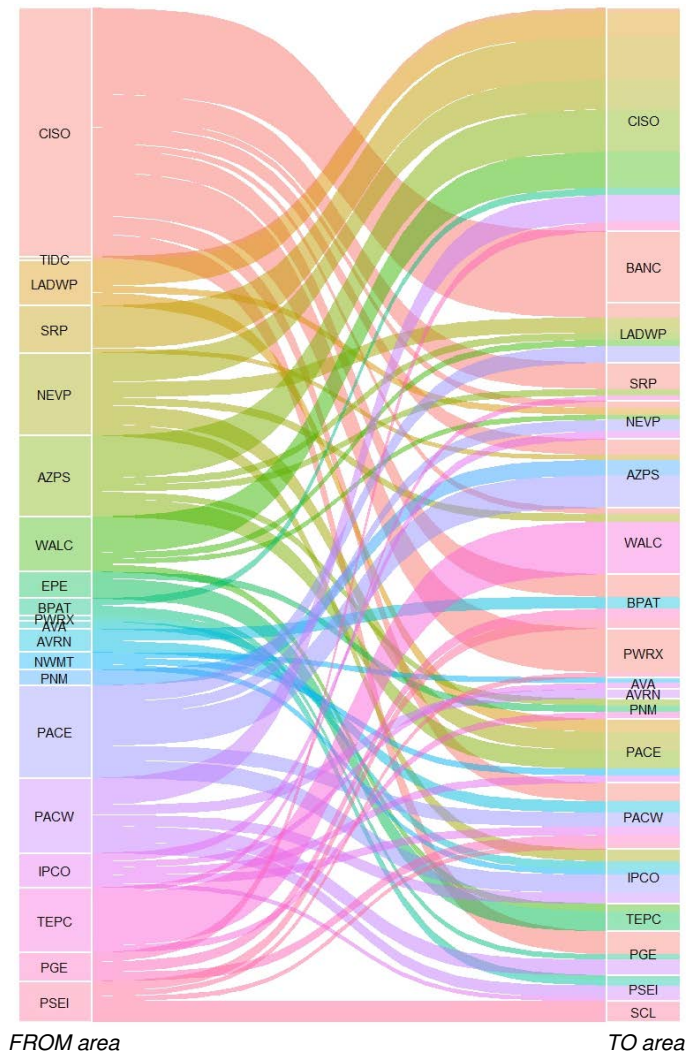
Gross economic benefits driven by:

- Wide footprint consisting of 23 balancing areas
- Economic transfers among areas
- Energy prices and economic displacement of high-value energy

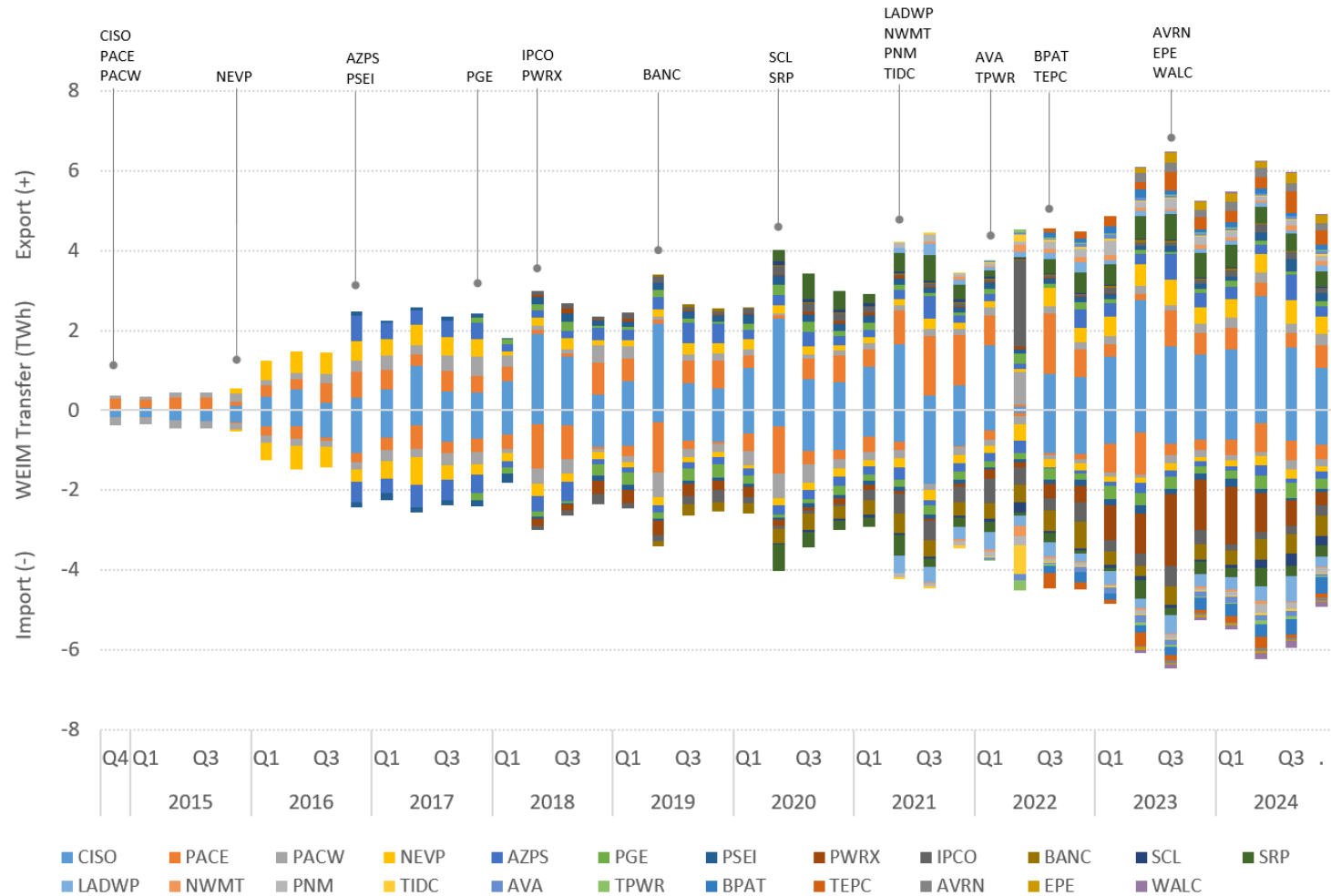
\$6.62 billion cumulative benefits through Q4 2024



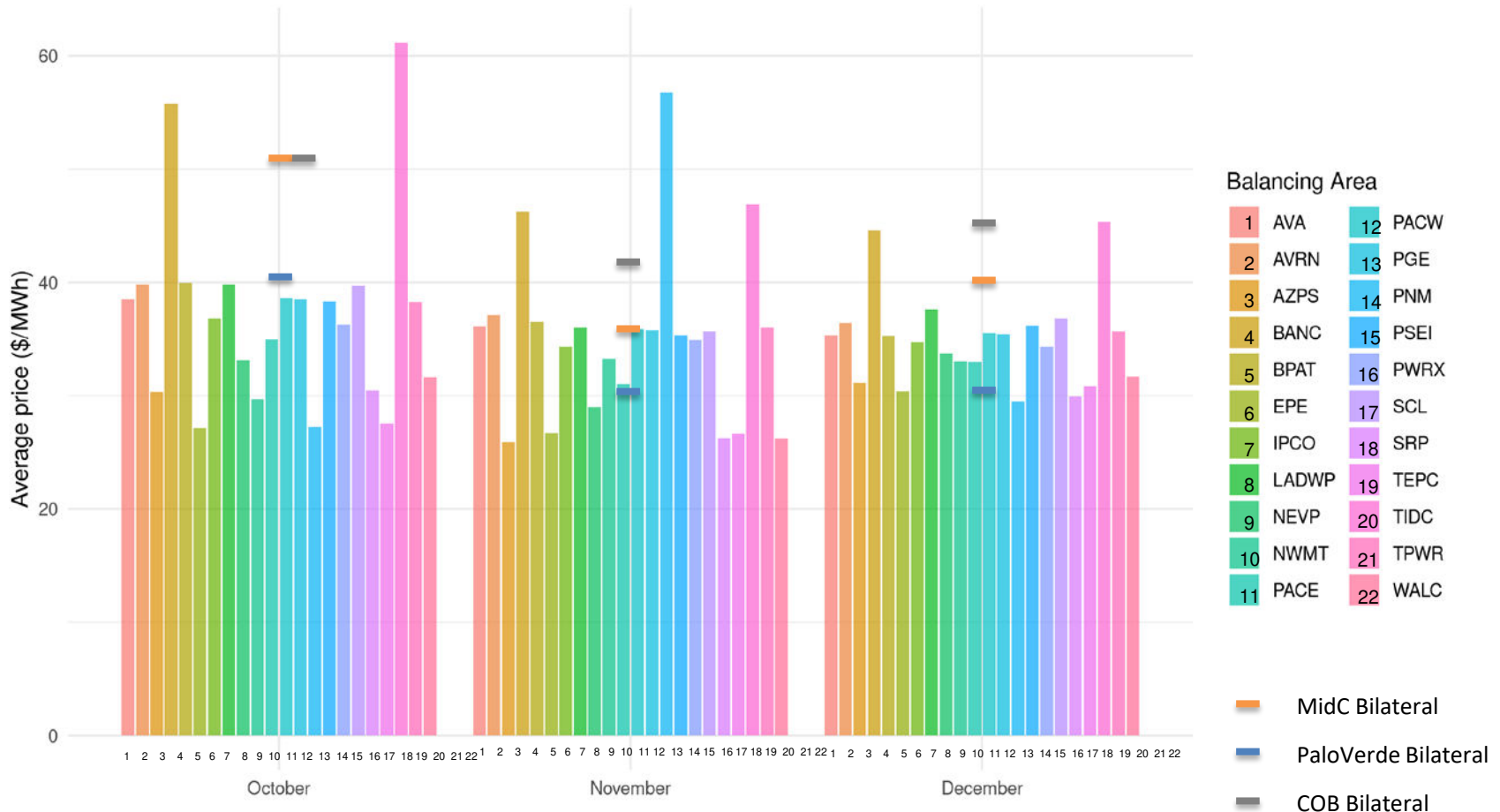
Market saw robust volumes of transfers in Q4 2024



Expansion of the western energy imbalance market has unlocked increasing volumes of economic transfers



Prices trended down, reflecting mild winter conditions





Update on 2025 Policy Initiatives Catalog and Roadmap

Alyssa Krag-Arnold

Lead Policy Integration & Governance Specialist

Amelia Blanke

Principal Economist & Director, Market Strategy and Governance

Body of State Regulators Meeting

February 14, 2025

CAISO Public

Annual Policy Catalog & Roadmap Process

Policy Initiatives Catalog

- ISO accepts policy initiative proposals from stakeholders and documents stakeholder support for proposed initiatives
- Catalog reflects shared priorities of ISO stakeholders and Regional Issues Forum (RIF)
- Input to the Policy Roadmap prioritization process

Policy Initiatives Roadmap

- Work plan that describes the policy initiatives the ISO will undertake over the next 3 years
- Final Roadmap represents intersection of stakeholder-identified priorities from the Catalog, [ISO Critical & Strategic objectives](#), initiative feasibility, urgency, and ISO resources.
- Includes initiatives identified by both stakeholders and the ISO

Policy Roadmap & Catalog Timeline



Policy initiative proposal template

- Submission template released January 30
 - Available via comment template on [2025 Catalog & Roadmap website](#)
- Submissions accepted January 30 to February 28
- Requested information:
 - Issue description
 - Initiative description
 - Market impact
 - Timing/urgency
 - Data availability/needs

Categorizing Potential Submissions

1. **Discretionary market design initiatives** – candidates for the Catalog
2. **Non-discretionary initiatives** (e.g. FERC Orders)
3. **Issues being addressed** in current initiatives / working groups
4. **Transmission and Infrastructure Planning**
5. **Process improvements**

Process change for 2025: Submissions that are **not** discretionary market design initiatives will be directed to the relevant ISO process for prioritization

Opportunities for BOSR participation & input

1. Submit policy initiative proposals to Catalog

- Accepting submissions through Feb. 28
- BOSR as an organization, or individual entities may submit

2. Comment on Catalog submissions

- Describe BOSR support for specific initiative proposals submitted to the Catalog, or categories of initiatives submitted
- Provide feedback to inform initiative prioritization, such as assessment of potential impacts, benefits, or concerns.
- 2024 [BOSR comments](#) on Catalog & Roadmap
 - Specific & actionable recommendations are most helpful in prioritization – e.g. [2024 Roadmap](#) features accelerated Price Formation Enhancements timeline

3. Complete prioritization ranking survey

- Indicative voting on the prioritization of Catalog submissions
- Released in May

Catalog & Roadmap Schedule: Next Steps

- **January 30:** Catalog submissions template posted
- **January 30 - February 28:** ISO accepting Catalog submissions for new discretionary market design policy initiatives from all stakeholders
- **March & April:** Stakeholder prioritization workshops for Catalog submissions
 - Regional Issues Forum Roundtable discussion: April 9
 - Clarify purpose of submissions
 - Develop understanding of breadth of stakeholder support for individual submissions
 - Identify logical groupings of submissions
- **May:** Stakeholders submit prioritization rankings

Resources

- Visit process webpage for more information: [2025 Catalog & Roadmap webpage](#)
- View 2024 submissions, presentations, and draft/final products on the [2024 Catalog & Roadmap webpage](#)
 - [Final 2024 Roadmap](#) and [Final 2024 Catalog](#)
- Questions? Please contact:
 - Alyssa Krag-Arnold at akragarnold@caiso.com
 - Amelia Blanke at ablanke@caiso.com

WESTERN ENERGY MARKETS

Regional Issues Forum Update to the Body of State Regulators

February 14, 2025



Upcoming RIF Meetings

- April 9th, 9 AM – 1 PM (Pacific), PacifiCorp, Portland, OR
 - Policy initiative roundtable
 - Market seams panel
 - 101 level focus
 - Eastern market experience
 - Existing Western seams and Western experience
 - RIF Role Enhancement and Stakeholder engagement
- Tentative June meeting
 - Potential topics on market seams and RIF role enhancement

RIF Role Enhancement and Stakeholder process Objectives

- Evaluate and address whether aspects of the Stakeholder Representatives Committee (SRC) under the West-Wide Governance Pathways Initiative (WWGPI or Pathways) Step 2 Final Proposal can and should be implemented in the near term.
- Identify and assess any additional enhancements to the RIF's role in the CAISO stakeholder process that should be pursued in the near-term, ensuring that these are consistent with the future state of the stakeholder process as envisioned in Pathways.

Scope Criteria for Enhancements

- Provides immediate benefits to the RIF stakeholder community through additional transparency, representation or increased stakeholder engagement.
- Does not require legislative change of Regional Organization Board to be implemented.
- Requires minimal or no additional support from CAISO staff.
- Consistent with the direction proposed by the Pathways Launch Committee.
- Consistent with the stakeholder process enhancements being pursued by CAISO staff.
- Supported or not opposed by participating stakeholders.

Key Dates

- April 9th: Presentation of white paper at RIF meeting
- April 9th – May 9th: Open comment from stakeholders
- June – July: Update white paper to incorporate stakeholder feedback
- August/September: Share implementation plan

RIF Requests of Stakeholders

- Communicate with liaisons to provide input into the initial consideration of improvements.
- Provide comment on the draft proposal.