

August 1, 2024

Markets+ States Committee Members,

The Markets+ Phase 1 Funding Parties are grateful for the contributions of the Markets States Committee to the robust process developing Markets+ and look forward to continued collaboration.

In recent months, there has been considerable industry dialogue focused on the market seams that will exist between EDAM/EIM and Markets+, as well as the EDAM/EIM governance enhancements being pursued through the Pathways Initiative. While both topics are important, the Markets+ Phase 1 Funding Parties believe this dialogue is incomplete without also considering the numerous governance and market design differences between Markets+ and EDAM/EIM that are driving continued support for Markets+. To address this gap, some of the Markets+ Phase 1 Funding Parties<sup>1</sup> have worked together expeditiously to prepare timely information in this first “Issue Alert.” Markets+ Phase 1 Funding Parties will continue this collaboration to issue a series of Issue Alerts identifying and explaining the key governance and market design elements that differ between Markets+ and EDAM/EIM and why these differences have important consequences for customers in terms of reliability, economic value, and environmental objectives.

The Markets+ Phase 1 Funding Parties will share a new Issue Alert every few weeks covering the following topics:

1. Governance
2. Reliability
3. Fair and Accurate Market Pricing
4. Seams Issues
5. Support for Clean Resources
6. Market Operator Actions & Modeling
7. Durable Customer Benefits

We thank you for your consideration of these important matters and welcome any questions you may have.

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<sup>1</sup> Arizona Public Service Co, Chelan County PUD, Grant County PUD, Powerex Corp., Public Service Company of Colorado, Salt River Project, Snohomish PUD, Tacoma Power, Tri-State Generation and Transmission Association Inc. and Tucson Electric Power Company prepared this Issue Alert 1.