



PacifiCorp would like to express sincere appreciation to all stakeholders and members of the West-Wide Governance Pathway Initiative (WWGPI) Launch Committee (LC) for their efforts and significant progress in exploring options for independent governance over the WEIM and EDAM. Stakeholders have expended significant time and effort into ideating, crafting, evaluating, and proposing tangible governance pathway options that address the needs of a wide range of stakeholders, in turn enable the Western market to build upon the success of WEIM in EDAM and beyond. A highly diverse Western market footprint will enable significant cost savings for electric customers across the region. We are encouraged by the progress the LC has been able to achieve over the past few months and remain committed to doing our part in helping the LC achieve its stated targets and answer the region's challenge for crafting a pathway towards independent governance.

Market governance issues are of immense importance for many entities evaluating their day-ahead market decisions, especially as many of those entities are looking to make decisions in the first part of 2024. Given the mission statement of the LC as well as to provide interested parties a credible and tangible pathway that will improve market governance, PacifiCorp considers a phased or stepwise approach as highly appealing. This approach would have at least two steps, with the first focused on modifications that can be made without requiring legislative changes in California and the second step focused on evaluating options 1-4 and taking the needed time to thoughtfully consider the many legal, operational, and logistical issues inherent in separating the CAISO's market and balancing authority functions. It is important that the LC is committed to working on both steps in order to meet stakeholder needs including those looking for a fully independent governance structure with a pathway to RTO participation for those entities that want or are required to join an RTO.

To maximize benefits to customers across the region, size and diversity of the market footprint matters for both WEIM and EDAM as well as any future market developments beyond EDAM for those entities interested. To enable the broadest possible market footprint, PacifiCorp believes that the LC should consider exploring the addition of market triggers to the stepwise approach.

1. Do the proposed evaluation criteria support a constructive and thorough assessment of the options?

In general, the adopted evaluation criteria provide a solid framework for evaluating a broad range of pathway options in a way that attempts to capture the wide range of objectives and priorities from the stakeholder community. The LC may find that the first evaluation criteria - "Maximized net benefits, including reliability, affordability, and environmental benefits, recognizing startup and ongoing costs, and considering both new benefits and impacts on existing benefits" - will require further refinement and/or separation of topics to apply it more

easily to the options under consideration. Additionally, the LC may need to consider how it intends to weigh the evaluation criteria.

- 2. Are the bookends reasonably defined to set the boundaries for a timely, productive exploration of available structural alternatives to governing autonomy?**

Yes.

- 3. Do additional options not encompassed above, but within the bookends, warrant exploration?**

Not at this time.

- 4. Should other aspects of the new structure not identified in the comparison matrix in Appendix B be addressed within each option?**

Given the current stage of this initiative, the current matrix sufficiently describes the key elements. The matrix may need to be revised once the legal evaluations have been concluded.

- 5. Are there additional threshold or high priority legal questions that should be addressed?**

Not at this time.

- 6. Are there additional operational questions that should be addressed or prioritized?**

Not at this time.

- 7. Are there additional issues or categories of issues that should be considered?**

As one of the two entities scheduled to go live in EDAM in May 2026, PacifiCorp considers it of utmost importance that the LC's recommended final pathway(s) do not impact currently ongoing implementation efforts.