



## **West-Wide Governance Pathways Initiative**

The Launch Committee of the Westwide Governance Pathways Initiative (Pathways Initiative) is excited to release a straw proposal and set of supporting documents for stakeholder review. This package presents the Launch Committee's evaluation of options to achieve the original goal of the Pathways Initiative: the creation of a new, independently governed entity capable of offering an expansive suite of West-wide wholesale electricity market functions across the largest possible footprint.

In July 2023, several Western state regulators sent a letter to the Western Interstate Energy Board and the Committee on Regional Electric Power Cooperation, advancing a concept "for ensuring that the benefits of wholesale electricity markets are maximized for customers across the entire Western U.S." In response to this April 2024 straw proposal, Alice Reynolds, President of the California Public Utilities Commission said, "We are pleased to see such collaborative and thorough work to unpack this novel approach to delivering customer benefits." Milt Doumit, Commissioner on the Washington Utilities and Transportation Commission added, "The Launch Committee represents an important breadth of perspectives in the West and we look forward to hearing what stakeholders have to say about the proposal."

The release of these documents for further consideration comes with support from the entire Launch Committee, which is comprised of 36 stakeholders and alternates representing 12 different sectors from all 11 states in the Western Interconnection. The state and federal agency representatives on the Launch Committee have served in a consultative role and in that capacity they have provided ongoing active support to the discussion and materials produced on behalf of the Launch Committee.

The Launch Committee's straw proposal lays out a stepwise approach based primarily on ideas and input from the Launch Committee members, input from stakeholders in October and January, discussions and analysis from outside legal counsel, and technical input from the California Independent System Operator (CAISO) staff. The package also includes a memo from Perkins Coie, the law firm hired by the Launch Committee to do a legal analysis of the risk of each option presented in the December Initial Evaluation Framework for Pathways Options under current California and Federal Energy Regulatory Commission (FERC) laws.

The stepwise approach includes three steps: Step 1 enables early success within the scope of existing law through substantive changes to the independence of the Western Energy Imbalance Market's (WEIM) Governing Body; Step 2 creates a new, independent Regional Organization to maximize independence while leveraging existing market infrastructure to minimize costs while enabling Step 3, which includes further evolution toward a full suite of market services, up to



### **West-Wide Governance Pathways Initiative**

and including a Regional Transmission Organization (RTO). Implementation of Step 3 is beyond the scope of the Pathways Initiative and will be undertaken by the new RO itself.

The Launch Committee is seeking input from stakeholders on the straw proposal, including how these options compare against the evaluation criteria established early in the Pathways Initiative process. This input will inform revisions to the straw proposal which the Launch Committee will present through future stakeholder engagement processes. Comments are due on May 8 and may be submitted via email through

**Comments@WestWidePathwaysInitiative.org.**

For all media inquiries, please contact [pathways@westwidepathwaysinitiative.org](mailto:pathways@westwidepathwaysinitiative.org).