

September 26, 2025

Kathleen Staks and Pam Sporborg

Co-Chairs, Launch Committee

West-Wide Governance Pathways Initiative

Via email: Pathways@WestWidePathwaysInitiative.org

Dear Launch Committee Members,

With the passage of California Assembly Bill 825, we believe it an appropriate time to follow up with the Pathways Launch Committee.

In [July of 2023](#), several state regulators (including many of the undersigned) identified the opportunity to improve the affordability and reliability of the regional electric system through a wholesale electricity market that centered customers and had the largest footprint possible, including California. We proposed creating an entity that could serve as a means for delivering independent governance of that market. We asked stakeholders in the region to help us deliver on that vision.

We write once more to appreciate your dedication to the vision we articulated and celebrate the milestones you have achieved.

In particular, we note that pursuant to Pathways Step One, the Western Energy Market (WEM) Governing Body now holds primary filing rights for the tariff governing the Energy Imbalance and Day Ahead markets. This approach incorporates customer protections across the market footprint. It also balances the needs of entities across the region to have transparency and certainty when committing to a Day Ahead Market. Reaching the load thresholds proposed by the Pathways Launch Committee and adopted by the CAISO Board of Governors and WEM Governing Body illustrates the value customers can find in a diverse footprint.

We note that Pathways Step Two aimed at the creation of an independently governed Western Energy Market, including California. With the passage of California Assembly Bill 825, which reflects the design you painstakingly developed through inclusive stakeholder processes, the Launch Committee's aim will become reality. Your focus on customer protection and respect for state policies has been central to the Launch Committee's continuing successes.

The benefits of markets have been well documented throughout this process, including the benefits customers see today from the Energy Imbalance Market, which have increased to over \$7b since our July 2023 letter. We are moving into an era of unprecedented growth in electrical demand, new weather extremes, challenges procuring new generation and cost pressures. Indeed, affordability and reliability are central concerns in all our states. This legislation provides a critical opportunity for us to address these issues, and we appreciate the time you have invested in realizing this critical milestone.

We remain committed to maximizing the benefits of organized wholesale energy markets for customers in the West and look forward to continued engagement as you set up the regional organization, seat the founding board and they take up the hard work of delivering benefits for customers across the footprint.

Sincerely,

/s/ Kevin Thompson

Kevin Thompson, Chair
Arizona Corporation Commission

/s/ Les Perkins

Les Perkins, Commissioner
Oregon Public Utility Commission

/s/ Siva Gunda

Siva Gunda, Commissioner
California Energy Commission

/s/ Karin Power

Karin Power, Commissioner
Oregon Public Utility Commission

/s/ Alice Reynolds

Alice Reynolds, President
California Public Utilities Commission

/s/ Brian Rybarik

Brian Rybarik, Chair
Washington Utilities and Transportation
Commission

/s/ Pat O'Connell

Pat O'Connell, Commissioner
New Mexico Public Regulation Commission

/s/ Ann Rendahl

Ann Rendahl, Commissioner
Washington Utilities and Transportation
Commission

/s/ Letha Tawney

Letha Tawney, Chair
Oregon Public Utility Commission

/s/ Milt Doumit

Milt Doumit, Commissioner
Washington Utilities and Transportation
Commission