



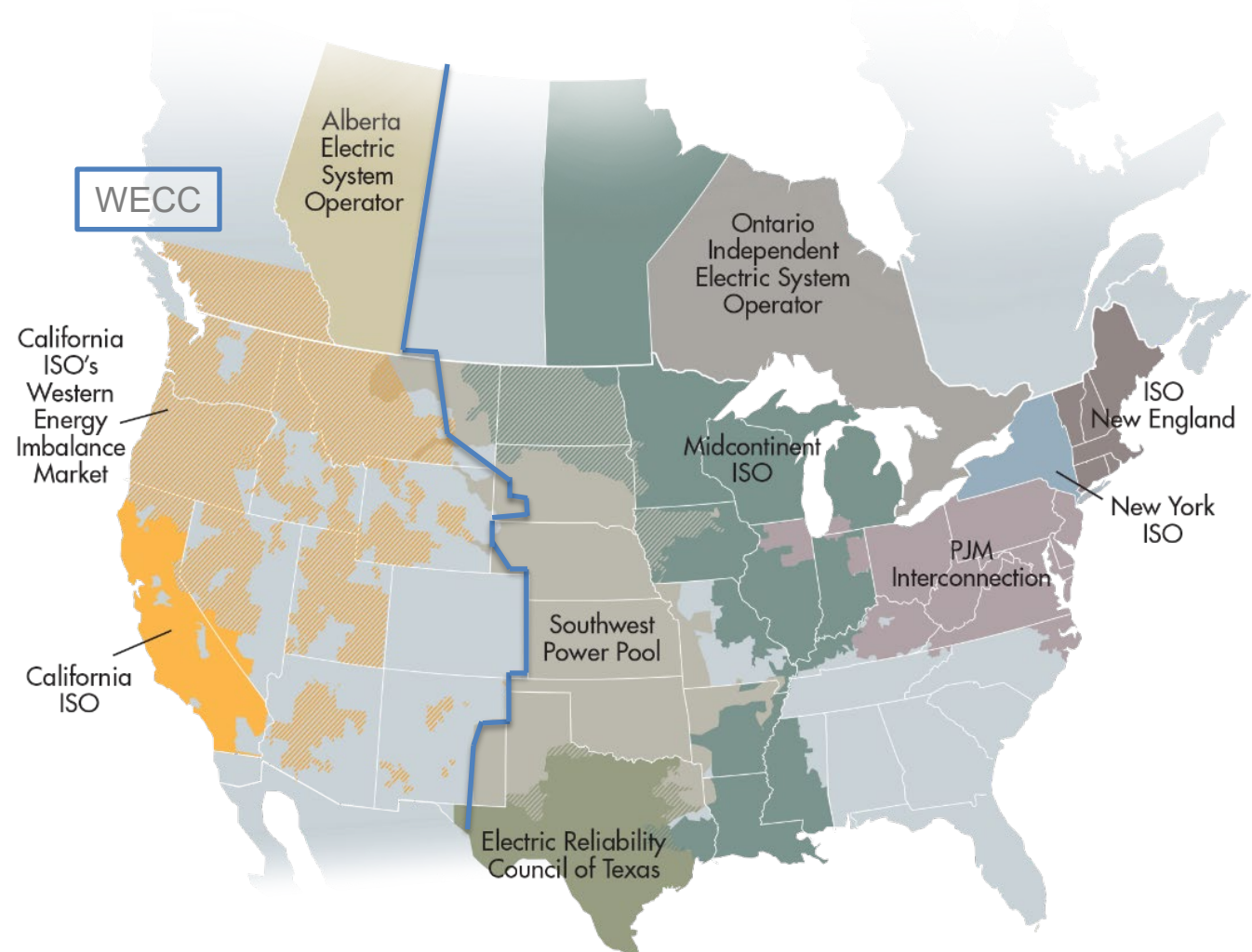
California ISO

WECC Board Technical Session Market Developments in the West December 9, 2025

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CAISO core responsibilities and functions across the West

- Performs **balancing area** functions and operates wholesale electric market within its area.
- Operates the **Western Energy Imbalance Market (WEIM)** – real time market across the West.
- Serves as **Reliability Coordinator (RC West)** across the Western interconnection.



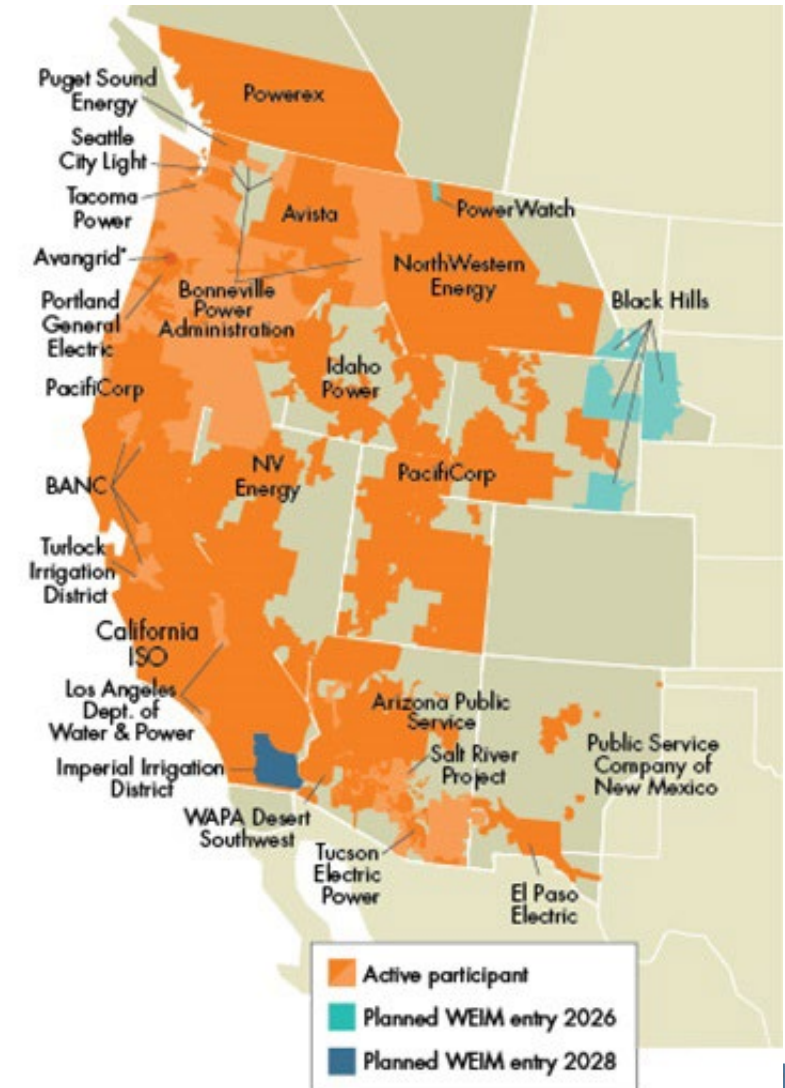
Western Energy Imbalance Market (WEIM): economic, reliability and environmental benefits from the West's existing real-time market

- A **voluntary** market that provides a sub-hourly economic dispatch of resources for balancing supply and demand every five minutes.
- Allows utilities to **efficiently manage imbalances** between generation and load, honoring transmission and reliability constraints.
- **Benefits** accrue to all participating utilities and provide cost reductions for retail customers.
- Supporting energy transfers across a **broader regional footprint** (Black Hills Energy 2026, PowerWatch 2026, Imperial Irrigation District 2028).

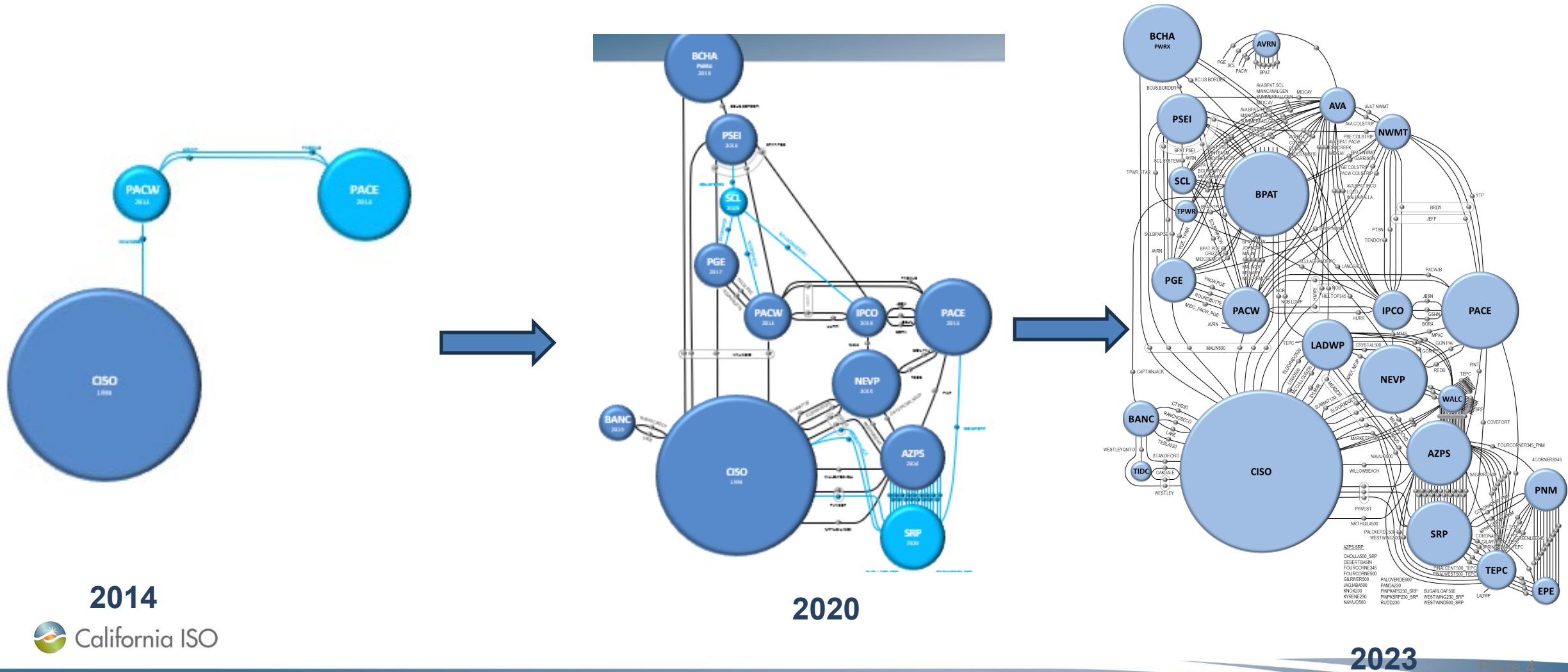
Eleven
Western states

80% of demand
in the West

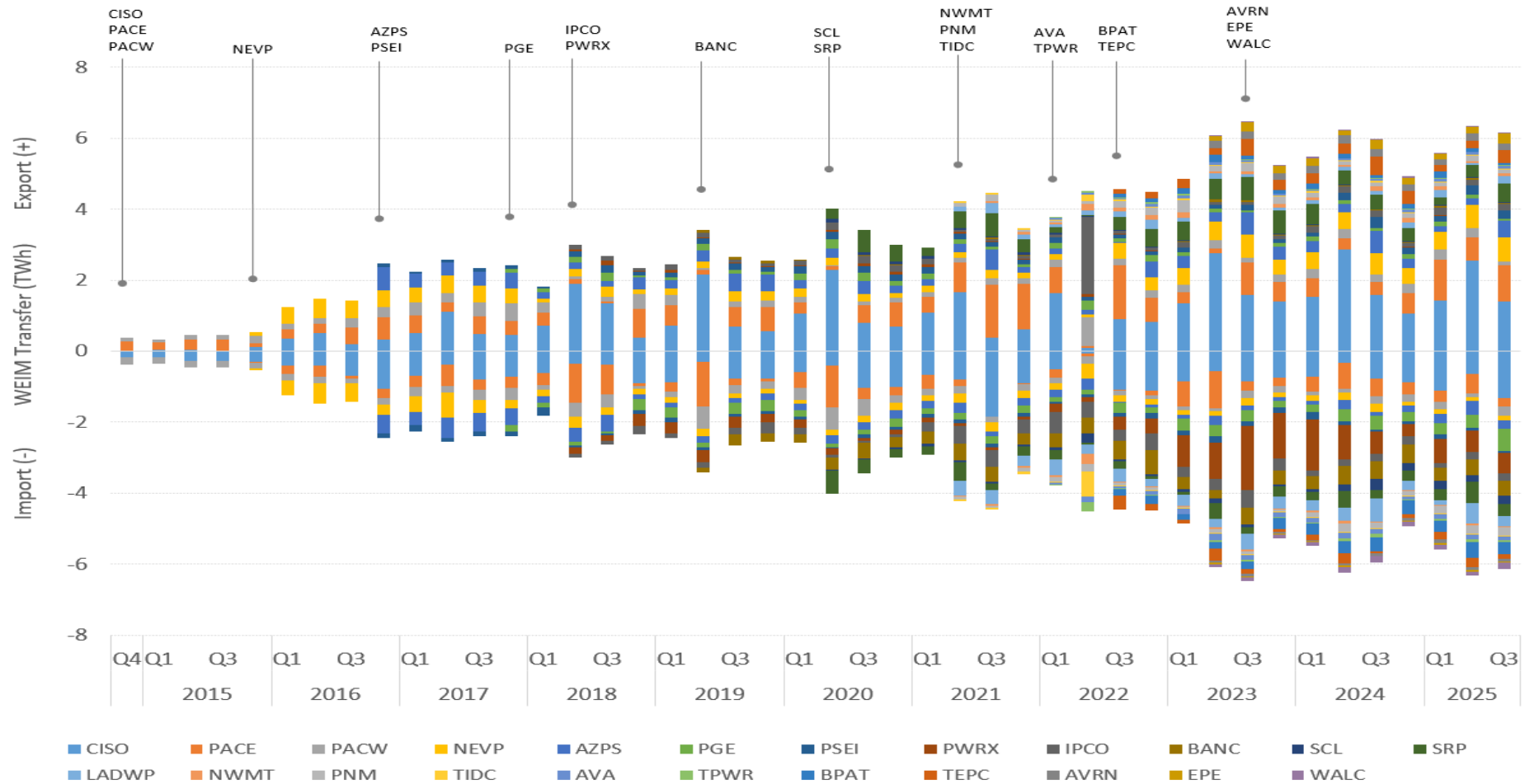
22 participating
balancing
authority areas



WEIM expansion increases the volume of economic transfers driven by transmission interconnectivity and resource diversity



The WEIM continues to unlock large volumes of economic transfers supporting reliability across the West



The WEIM supporting reliability on tight days in the West

Two Heat Domes June 2021

- June 12 – 20 California, Southwest & Northern Mountain West
WEIM moved up to 4,000 MW into CA
- June 24 – 30 Pacific Northwest
Turned things around to move MWs into Pacific Northwest

July-August 2023

- Sustained period of heat in the DSW
- WEIM moved power out of CA into DSW and PNW experiencing significant heat

Martin Luther King Day 2024

- WEIM makes identified cost-effective physically feasible transfers to serve northwest exports
- Managed congestion on the COI consistent with the Coordinated Transmission Agreement with BPA
- 6 BAAs used the WEIM assistance energy transfers - 176 MW additional import transfers

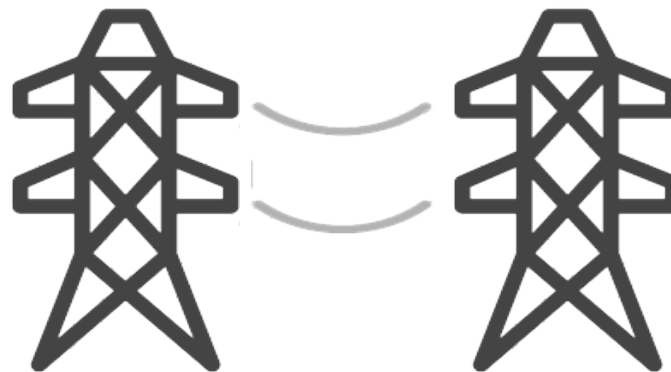
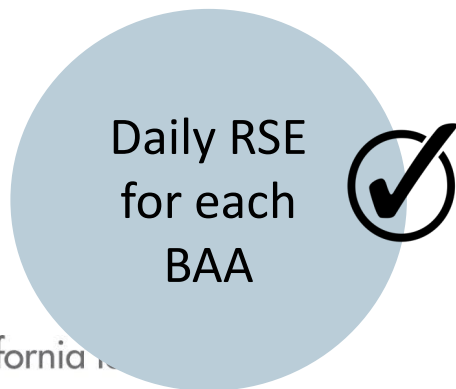
Implementation of an extended day-ahead market (EDAM)



- Day-ahead capabilities extended to WEIM participants who voluntarily opt-in, providing additional benefits.
- ISO market will manage energy schedules and optimize efficient transfers of energy between balancing authority areas (BAAs).
- Expands access to diverse resource fleet and transmission connectivity to provide full complement of wholesale energy market services and builds upon WEIM to optimize commitment of generation a day in advance.

Key Elements of the EDAM Design

- Daily resource sufficiency evaluation (RSE) across full 24-hour time horizon.
 - RSE is universal adaptor that connects entities with varying resource adequacy programs to efficiently commit/dispatch resources
- Transmission capability on internal system and interties with other EDAM BAs made available to optimize transfers between participating areas.
- Bidding and attribution to multiple state greenhouse gas regulation areas as well as accommodation for non-priced GHG programs.



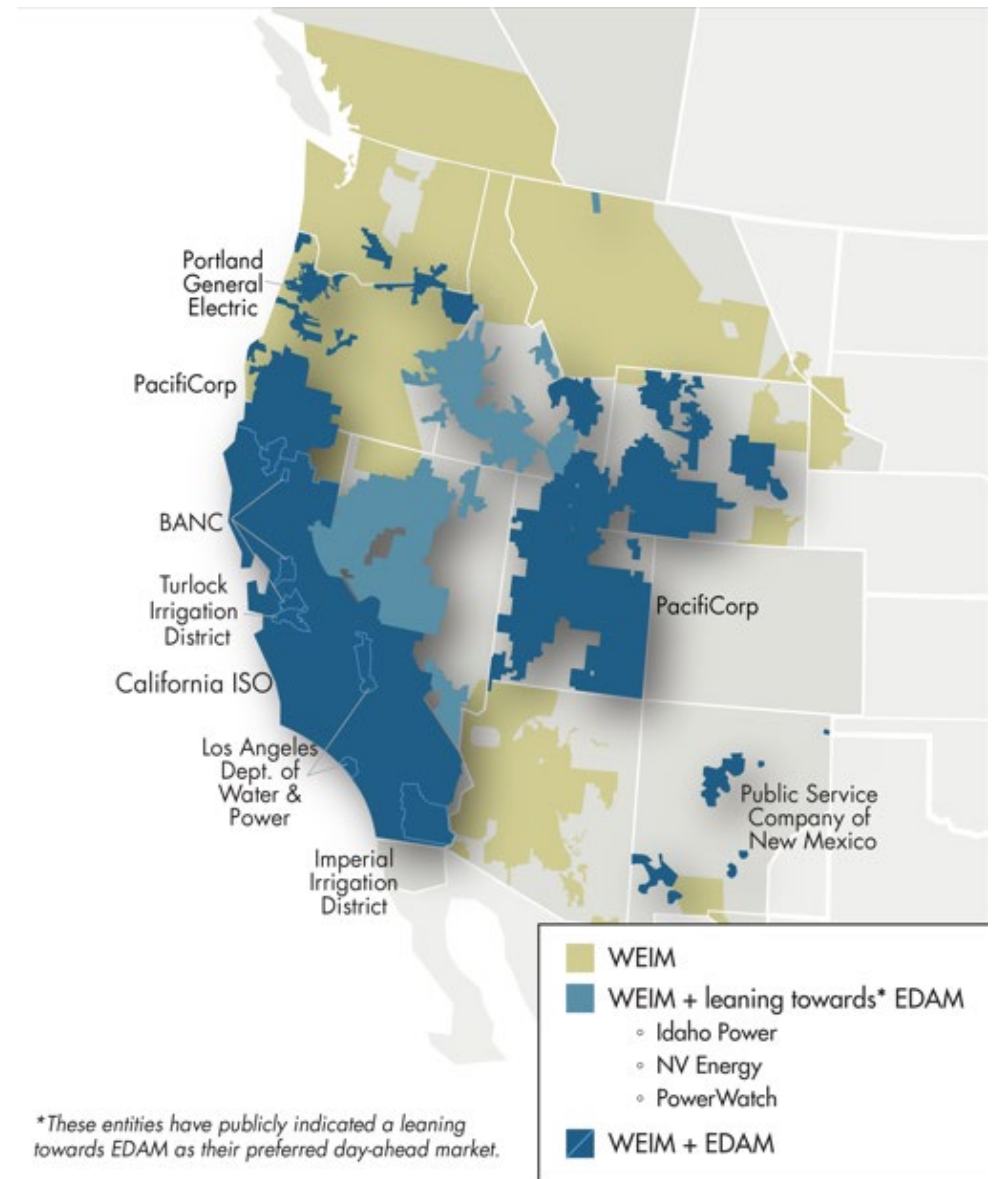
The Evolving EDAM Footprint

Executed EDAM implementation agreements:

- PacifiCorp
- Portland General Electric
- Balancing Authority of Northern California
- Los Angeles Department of Water and Power
- Imperial Irrigation District
- Public Service Company of New Mexico

Public leaning toward EDAM participation:

- NV Energy
- Idaho Power Company
- PowerWatch



EDAM Implementation Activities – May 2026

- Market simulation activities launched in September 2025 and will be active into January 2026.
 - Ability to test EDAM functionality in simulated market environment
- Parallel operations with PacifiCorp to commence in February 2026.
 - Operating the EDAM in the market environment on an advisory basis to ensure readiness prior to launch
- Initial draft of EDAM business practices has been published for stakeholder review.
- Opportunities to engage through upcoming EDAM public trainings on discrete aspects of design and implementation.

Market-to-market seams issues

We are engaged on our highest priority issue, reliability for go-live

- CAISO's RC West and SPP's Western RC Services are advancing reliability together
- Reliability coordination is the foundation for market-to-market coordination
- The West benefits from an existing suite of power system tools and data streams to model flows in the western interconnect

Reconciling Western arrangements with structured markets

- Reconciling transmission rights and transmission practices with markets will take coordination education, coordination, and time
- The West relies on WECC standards, Reliability Coordinator operating procedures, the Western Interconnection Data Sharing Agreement, transmission service provider tariffs, and balancing authority-to-balancing authority agreements to manage the transmission system
- The WEIM has also proven that balancing areas can function seamlessly in a real-time market, providing reliability benefits and economic value to participants and customers across the West

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