

Stakeholder Comments on Program Overview Document, Consideration Design Documents, and Spring Workshops

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Comments on Regional Resource Adequacy Program Overview Document, Consideration Design Documents, and Spring Workshops

Department of Market Monitoring

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Summary

The Department of Market Monitoring (DMM) appreciates the opportunity to comment on the *Regional Resource Adequacy: Program Overview Document, Consideration Design Documents, and Spring Workshops*. These comments respond specifically to proposal for the regional resource adequacy (RA) program to have an independent Program Assessor, and for the DMM to fill that role. DMM supports the development of a regional RA program for participants in the Western Energy Markets. DMM is willing and well-positioned to serve the proposed role of an independent Program Assessor. DMM looks forward to further engagement as the details of this new program and the Program Assessor role unfold in the stakeholder process.

Comments

DMM supports the foundation of a regional RA program aligned with the EDAM and WEIM markets. DMM agrees with the foundational principles outlined in the Program Overview document, particularly that such a program would support efficient EDAM market operations by clarifying forward obligations, performance expectations, the relationship between RA capacity and day-ahead scheduling, and utilizing market dispatch for delivery.¹

The Governance Consideration Document proposes the establishment of an independent Program Assessor for the regional RA program. This role is contemplated to provide objective monitoring of participant behavior, program outcomes, and underlying assumptions to identify potential design flaws, unintended consequences, and opportunities for improvement.² DMM agrees with the importance of such a role to accomplish these objectives and supports the proposal for DMM to fill this role for the regional RA program.

DMM is a uniquely qualified to fill the role of Program Assessor for the regional RA program because of DMM's role as the market monitor for the Western Energy Markets, DMM's extensive experience monitoring interactions between RA and the CAISO market, and participation in RA stakeholder initiatives in the context of CAISO and the California Public Utilities Commission (CPUC) RA program.

¹ *Resource Adequacy Program Overview Document*, RA Sponsors and Work Group, April 27, 2026:
https://rowesternenergy.org/wp-content/uploads/2026/04/RA-Program-Overview-Document_FINAL.pdf

² *Consideration Design Document: Governance*, RA Sponsors and Work Group, May 7, 2026, pg. 7:
https://rowesternenergy.org/wp-content/uploads/2026/05/Consideration-Design-Document_Governance.pdf

DMM's independent governance structure that will include oversight by the ROWE Board further solidifies DMM's fit for this role.

As DMM understands the description of the proposed Program Assessor role in the Governance Consideration Document, the role would entail more direct monitoring and oversight of the regional RA program than DMM currently does for the CPUC RA program. While DMM directly monitors the CAISO market in the context of the CPUC RA program, and actively participates in related market design initiatives, DMM does not directly monitor the CPUC RA program. DMM has discussed CPUC RA program outcomes with CPUC staff and assisted in brainstorming potential analyses that CPUC staff may want to conduct to evaluate market outcomes. However, it is not DMM's role, nor does DMM have access to the necessary data to serve a direct monitoring role for the CPUC RA program.

DMM envisions a natural transition into a more direct monitoring role for the regional RA program as contemplated in the Governance Consideration Document, but notes that the ability to do this would depend on access to data that DMM does not currently have, such as details of capacity transactions and capacity availability among regional RA program participants. DMM has access to market participation data and resource characteristic data for participants in the EDAM and WEIM. While these data are important to facilitate monitoring, they are not a replacement for more detailed data on RA capacity transactions that would likely be necessary for the Program Assessor. Clarifying the data that regional RA program participants may need to submit for use in monitoring by the Program Assessor will be an important detail in the development of the role.

DMM looks forward to further engagement as the details of this new program and the Program Assessor role unfold in the stakeholder process.

Jun 12, 2026

Torus Comments on the ROWE Resource Adequacy Program Overview Document, Consideration Design Documents, and Spring Workshops

Torus appreciates the opportunity to submit stakeholder comments to the Regional Organization for Western Energy (ROWE) on the Resource Adequacy (RA) Program Overview Document, Consideration Design Documents and Spring Workshops, as developed for the Extended Day-Ahead Market (EDAM) and Western Energy Imbalance Market (WEIM) footprint. As a technology provider and developer of hybrid energy storage systems¹ with deployments across the PacifiCorp and Portland General Electric service territories, Torus has a direct interest in how the Program will treat controllable hybrid energy storage systems.

¹ Torus uses the term “hybrid energy storage system” throughout this letter to describe the technologies it employs and develops. The term is intended to apply across configurations, including multi-technology storage (such as battery-plus-flywheel), storage-paired-with-renewables, and storage-paired-with-thermal arrangements. The observations in this letter where hybrid energy storage systems are discussed, are intended to apply across these configurations to the extent the resource operates under scheduled, controlled, or coordinated dispatch.

Summary of Comments

Across the comments that follow, Torus identifies three areas where targeted refinement would most improve Program design:

1. **Accreditation and modeling practices that reflect controlled dispatch profiles.** Accreditation and modeling practices that reflect the operational profile of resources operating with scheduled, controlled, and dispatchable behavior.
2. **Dispatchability standards for front-of-meter (FOM) and behind-the-meter (BTM) resources.** Clear, consistent standards across FOM and BTM applications that recognize scheduled dispatch programs, utility-directed operating envelopes, and aggregated dispatch arrangements as satisfying the dispatchability and controllability requirement.
3. **Deliverability modeling aligned with actual operating profiles.** Transmission demonstration and deliverability frameworks that incorporate the controlled dispatch profile of resources, rather than relying solely on worst-case uncontrolled-export assumptions.

Torus respectfully recommends that the Initial Draft Proposal:

- Recognize controllable hybrid energy storage systems as a distinct resource class;
- Refine accreditation methodologies to capture the value of controlled dispatch;
- Align study methodologies with controlled-dispatch realities;
- Define BTM dispatchability standards that recognize scheduled and utility-directed operating envelopes;
- Explicitly address FOM controllable hybrid energy storage systems; and
- Calibrate the Demand Response (DR) Program design to reflect modern controllable resources.

Each of these points are further developed in responses to the specific template questions below.

Comments

A. Program Overview Document

1. Foundational Principles: are there any foundational principles missing or any adjustments needed that should be considered for incorporation into the Initial Draft Proposal?

Torus generally supports the nine foundational principles set forth in the Program Overview Document.² They reflect a sound balance between reliability, voluntariness, interoperability, and administrative efficiency. However, we recommend that the foundational principles incorporate language along the lines of the following, while recognizing that the precise wording may be adapted as appropriate:

"The Program should accommodate the full range of resource types contributing to Western reliability, including hybrid energy storage systems and emerging technologies, by adopting accreditation and qualification frameworks that reflect the operational characteristics of how those resources are actually dispatched and controlled, rather than defaulting to worst-case assumptions inherited from legacy resource classes."

The current capacity counting standard described in Principle 1 emphasizes a common and transparent foundation. Pairing that foundation with an explicit principle of accuracy-of-representation would help ensure that as the resource mix evolves, the counting standard continues to reflect how diverse resources actually contribute to reliability, particularly for resource classes whose operational characteristics differ meaningfully from those of legacy resource types. By embedding an accuracy-of-representation principle alongside transparency, the RA Work Group and stakeholders would be provided with a clear analytical anchor when accreditation methodologies are debated. Lastly, this addition is consistent with Principle 2 (deliverable capacity supporting reliability) and Principle 8 (non-discriminatory, comparable treatment across similarly situated participants). Hybrid energy storage with controlled dispatch are similarly situated to firm dispatchable resources in

² Resource Adequacy Program Overview Document, Regional Organization for Western Energy (Apr. 27, 2026), available at https://rowesternenergy.org/wp-content/uploads/2026/04/RA-Program-Overview-Document_FINAL.pdf.

many respects, and the Program should ensure comparable treatment where the operational characteristics warrant it.

2. Are there any Key Design Elements missing that should be added into the Initial Draft Proposal?

The Initial Draft Proposal may benefit from an additional design step focused on resource class definitions themselves, since downstream methodologies — such as effective load carrying capabilities (ELCC) inputs, performance measurement and deliverability assumptions — flow from how resources are categorized. For example, hybrid storage with controlled dispatch shares characteristics with several existing resource classes. Consideration Design Document #2 thoughtfully addresses hybrids as a separate category,³ and the Program could further support clarity by defining resource classes explicitly before applying methodologies, which would allow stakeholders to understand which class a given resource falls within and why.

3. Are there any other additional foundational questions that should be explored when drafting the Initial Draft Proposal?

Below are three foundational questions that should be explored in the Initial Draft Proposal:

- **How will "controllability" and "dispatchability" be measured and defined?** These terms are used throughout the Consideration Design Documents, particularly in the context of BTM and DR resources, but the qualifying standard is not defined. Clear definition of these terms is essential as eligibility under both the BTM and DR frameworks hinge on whether a resource is found dispatchable and controllable, and these currently undefined standards risk inconsistent application across the eight participating Balancing Authority Areas (BAA).
- **How will System Critical Hours (SCH) be defined?** The definition of SCH will shape how the reliability contribution of different resources is measured. A narrow SCH definition centered on scarcity ramps and short-duration peak stress events will capture different reliability characteristics than a broad multi-hour SCH window. The RA Work Group should make this definitional choice explicit and transparent rather than embedding it in methodology details.
- **How will the Program handle accreditation for resources that do not fit cleanly into existing methodologies?** ELCC for variable resources and Unforced Capacity

³ Consideration Design Document #2: RA Modeling and Metrics; Resource Qualification Requirements, Regional Organization for Western Energy, Stakeholder Workshop 3 (May 19, 2026), available at https://rowesternenergy.org/wp-content/uploads/2026/05/Consideration-Design-Document_Workshop-3_Final.pdf

(UCAP) for thermal are well-established accreditation methodologies. However, hybrid energy storage, distribution-connected dispatchable resources, and other emerging technologies do not fit neatly within either ELCC or UCAP methodologies. The Initial Draft Proposal should articulate a process for handling resources at the edges, not just a methodology for resources at the center.

4. Please provide any additional feedback you would like to share regarding the Program Overview Document.

First, Torus appreciates the RA Sponsors' candor regarding constrained available transfer capability on critical Western paths, including the BPA Cascades network and the California-Oregon Intertie. This honesty about transmission realities is a credible foundation for the deliverability discussion. We encourage the RA Work Group to maintain this posture in the Initial Draft Proposal, by acknowledging that system constraints openly create space for thoughtful interim frameworks rather than aspirational requirements that participants cannot meet. Second, the continued framing of the Program as voluntary and interoperable with existing RA programs is essential. Torus supports preserving the principle of voluntariness throughout all subsequent design iterations of the Program. Voluntary participation in the Program will result in real value to participants and to the resources they procure. Over-rigid accreditation methodologies that under-credit controllable hybrid energy storage systems could potentially diminish this value proposition.

B. Consideration Design Documents

5. For Consideration Design Document #1 (Governance): Please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations.

Torus offers brief comments on governance only where governance choices materially affect how technical questions of interest to resource providers are addressed. See the feedback below for Consideration Design Document #1.

5.1 Technical Oversight Committee Participant-Only Membership

The proposal that the Technical Oversight Committee (TOC) be composed solely of Program participants is understandable given that participants bear

compliance obligations.⁴ Torus would welcome stakeholder discussion of whether complementing this structure with a defined input channel from resource providers and technology developers could further strengthen the Program's ability to develop accreditation methodologies that reflect the full range of resources contributing to Western reliability. Torus further suggests that the TOC structure include:

- A standing technical advisory function open to resource providers and technology developers (without voting authority); and
- A defined process by which the TOC must solicit input from resource providers when developing accreditation methodologies for resource classes whose characteristics may not be well-represented by current participant portfolios.

These suggestions reflect the practical reality that hybrid resources, distribution-connected dispatchable resources, and other emerging technologies are often developed by entities that are not themselves load serving entities (LSEs). A structured input channel from these developers could help the Program's accreditation methodologies keep pace with the resource technologies that LSEs are increasingly procuring.

5.2 Program Assessor

Torus supports an independent Program Assessor role. We do not have a strong view on whether CAISO's Department of Market Monitoring should fill that role versus an alternative, but we suggest that whoever fills the role be empowered to assess not only market behavior but also whether the Program's accreditation methodologies produce reliable outcomes that match expectations. An assessment function that identifies systematic under crediting, or over crediting of resource classes would be valuable.

5.3 Body of State Regulators

Torus defers to the RA Sponsors and Work Group regarding the composition and role of the body of state regulators (BOSR). We note only that to the extent BOSR plays a role in Program oversight, its members should have visibility into how accreditation methodologies affect resources sited in their jurisdictions, particularly where state policy goals (such as storage deployment, decarbonization targets, or grid modernization) depend on those resources receiving appropriate Program treatment.

⁴ Consideration Design Document #1: Governance, Regional Organization for Western Energy, Stakeholder Workshop #2 (May 7, 2026), available at https://rowesternenergy.org/wp-content/uploads/2026/05/Consideration-Design-Document_Governance.pdf.

6. For Consideration Design Document #2 (RA Modeling & Metrics/Resource Qualification (incl. Contracts)/Resource Performance Requirements): Please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations.

RA Modeling, metrics, resource qualification and resource performance requirements most directly affect how hybrid energy storage resources like those manufactured by Torus will be qualified and credited under the Program. Our comments for Consideration Design Document #2 are detailed below.

6.1 Loss-of-Load Expectation Methodology and Reliability Standard

Torus supports the proposed reliability standard of 1 event-day in 10 years, as it is consistent with industry practice.⁵ We also support the use of probabilistic loss-of-load expectation (LOLE) analysis as the analytical foundation for the Planning Reserve Margin (PRM). We offer one observation about LOLE inputs: the modeling assumptions chosen for hybrid energy storage resources will shape their PRM contribution. If hybrid storage is modeled using assumptions inherited from variable energy resources (e.g. uncontrolled output profiles), the LOLE study may not fully capture the reliability contribution of resources that operate under scheduled and dispatchable profiles. Torus would welcome stakeholder discussion of how the LOLE methodology can incorporate controlled-dispatch operating profiles for hybrid energy storage, recognizing that doing so could further strengthen the accuracy of the Program's reliability assessment.

6.2 Resource Modeling — Thermal, Wind, Solar, Storage

Torus supports the use of UCAP for thermal resources and ELCC for variable energy resources. These methodologies are appropriate for the resources they were designed to characterize. We also generally support the application of ELCC to energy storage resources, and would welcome continued stakeholder discussion of how ELCC analysis can incorporate operational coordination between components in hybrid configurations. Recognizing this coordination — how components are dispatched as a unified system rather than independently — would help the methodology better reflect the way these resources deliver reliability in practice.

⁵ Consideration Design Document #2, *supra* note 3, at 2.

6.3 Hybrid Resource Accreditation — Sum-of-Components Approach

Consideration Design Document #2 proposes that hybrid resources be accredited based on the sum of the ELCC-derived contributions of each underlying component, subject to point of interconnection limits. **Torus supports the recognition of hybrid resources as a distinct category. As stakeholder discussion develops, there is an opportunity to further refine the sum-of-components approach so that it better captures the coordinated reliability contribution of controllable hybrid configurations.** Two areas where the sum-of-components approach could be refined when applied to controllable hybrid energy storage systems are as follows:

- **Capturing operational coordination across components.** In a controllable hybrid energy storage system, the components are dispatched as a coordinated unit, not independently. The reliability contribution of the coordinated system can exceed the sum of independent contributions during periods of system stress, particularly where one component compensates for the operational constraints of another (e.g., one component providing fast response while another provides duration).
- **Recognizing the value of scheduled or utility-directed operating envelopes.** When a hybrid energy storage system operates under a controlled dispatch profile — for example, scheduled to respond to specific grid signals or operating within a utility-directed envelope — its contribution during SCH can be both more predictable and more valuable than the underlying components' independent ELCC values would suggest.

Torus recommends that the Initial Draft Proposal:

- Retain the sum-of-components approach as a floor methodology for hybrids that lack coordinated dispatch; and
- Establish an alternative methodology, or an uplift factor within ELCC analysis, for hybrid energy storage systems that operate under scheduled, controllable, or utility-directed dispatch, in order to recognize these system's coordinated reliability contributions.

The goal of these refinements is methodological accuracy, by supporting a Program design whereby accreditation reflects how each resource actually contributes to reliability under its operating profile.

6.4 System Critical Hours Definition

The Consideration Design Document references SCH throughout, and the specific SCH definition methodology remains an area for further development. Because SCH influences a number of downstream accreditation outcomes, defining it explicitly with stakeholder input would help support consistent and predictable Program application. Torus recommends that SCH definition be addressed as an explicit design element in the Initial Draft Proposal, with stakeholder input. The RA Work Group should articulate:

- Whether SCH is defined as a fixed number of highest-stress hours per year, a probabilistic envelope around scarcity events, or another approach;
- Whether SCH definition varies by season, month, or other operational period; and
- How SCH is updated as system conditions evolve.

Torus does not advocate for a specific SCH definition at this stage. Our suggestion is that SCH be defined transparently and with stakeholder input, recognizing that the definition will meaningfully shape how short-duration, fast-responding, and controllable resources are credited.

Other resource adequacy program operators have utilized resource-specific de-rating methodologies within their broader capacity-market frameworks. For example, Great Britain's National Energy System Operator (NESO) applies equivalent firm capacity (EFC)-based de-rating methodologies to storage and renewables, including differentiated treatment for storage based on duration, technical availability, and a specific Duration Limited classification.⁶ Furthermore, the Republic of Ireland and Northern Ireland's Integrated Single Electricity Market (I-SEM) has adopted an assortment of capacity de-rating methodologies as part of its Capacity Remuneration Mechanism.⁷ The RA Work Group may find these practices instructive as they illustrate how hybrid resources can be accredited in ways that reflect a resource's controllable characteristics and range of duration capabilities.

⁶ *Storage & Renewables De-rating Factors Briefing Note – 2023 De-rating Process*, National Grid Electricity System Operator, now National Energy System Operator (2023), available at https://nationalenergyso-emr.my.salesforce.com/sfc/p/#8d000002dUGC/a/J70000004si0/DjZKy1E4nqD4WY5KfgM41r1_PDPsn twjNYYjhVu79Hs.

⁷ *SEM-16-082 CRM Capacity Requirement and De-Rating Methodology Decision Paper*, Single Electricity Market Committee (Dec. 8, 2016), available at <https://www.semcommittee.com/news/publication-crm-capacity-requirement-and-de-rating-methodology-decision-paper>.

6.5 Behind-the-Meter Dispatchable Resources

Consideration Design Document #2 states that BTM resources may qualify if they are "dispatchable and controllable either by the participant or by the host BAA or transmission operator."⁸ Torus strongly supports the inclusion of BTM dispatchable resources as eligible for RA accreditation, but requests further clarity on the qualifying standard for "dispatchable and controllable". Specifically, the Initial Draft Proposal should explicitly recognize the following as satisfying the dispatchability and controllability standard:

- Scheduled dispatch programs in which BTM resources operate according to a pre-defined schedule communicated to the host utility or BAA;
- Utility-directed operating envelopes in which BTM resources operate within parameters established by the utility, with the utility retaining the ability to invoke specific dispatch within those parameters; and
- Aggregated dispatch arrangements in which a portfolio of distributed BTM resources is dispatched by a single coordinating party (i.e. a participant, aggregator, or service provider) under terms agreed to with the host utility or BAA.

Explicit recognition of these arrangements would help align the BTM eligibility criteria with how dispatchable resources are commonly deployed today, by recognizing that scheduled, envelope-based, and aggregated control structures can satisfy meaningful dispatchability and controllability standards even where direct real-time control by the host BAA is not feasible.

6.6 Front-of-Meter Controllable Hybrid Storage

FOM hybrid energy storage systems are an increasingly common resource class procured by LSEs to meet capacity obligations. The Program's treatment of FOM hybrid energy storage systems will meaningfully shape the procurement market for these resources across the EDAM footprint. As the Program design develops, Torus would welcome continued discussion of how FOM hybrid energy storage systems operating under scheduled or controlled dispatch can be qualified, accredited, and studied for deliverability in a manner that sufficiently reflect operational profiles.

Observations in this Section 6.6 apply to FOM hybrid energy storage systems at both voltage levels, transmission-connected resources interconnected under Large Generator Interconnection Agreements (LGIAs), and distribution-connected resources interconnected

⁸ Consideration Design Document #2, *supra* note 3, at 9.

under Small Generator Interconnection Agreements (SGIAs). While the Program's deliverability and locational frameworks affect these two classes differently, the accreditation principles below — crediting the resource based on its controlled dispatch profile, recognizing operating constraints established through interconnection, and accommodating novel contract structures — apply equally to both. As the Initial Draft Proposal develops voltage-specific treatment, Torus would welcome stakeholder discussion of how distribution-connected FOM hybrid energy storage systems can be treated comparably to transmission-connected resources with similar reliability contributions.

Torus recommends that the Initial Draft Proposal explicitly address FOM controllable hybrid energy storage systems in three areas:

- **Accreditation under controlled dispatch profiles.** FOM hybrid energy storage systems are frequently contracted to operate under a specific dispatch profile defined by tolling arrangements, capacity-only contracts, or operating agreements with the off-taking LSEs. Accreditation that reflects the resource's reliability contribution under its contracted dispatch profile — rather than under an assumed uncontrolled maximum-export profile — would more accurately characterize both the deliverability burden the resource imposes and the predictability of its contribution during SCH.
- **Recognition of operating constraints established through the interconnection process.** FOM resources typically interconnect under LGIAs or SGIAs that may establish curtailment provisions, dispatch envelopes, or operating limitations as part of the interconnection process. Where a resource has already accepted operating constraints through interconnection, the Program should recognize and properly credit those constraints in accreditation, rather than imposing additional or duplicative assumptions about uncontrolled output. This is not a request that the Program modify interconnection terms; this is a request that the Program's accreditation methodology consistently account for constraints the resource is already bound by.
- **Treatment of FOM hybrid energy storage systems contracted under novel structures.** Storage resources, including hybrid configurations, are increasingly contracted through structures that differ from traditional capacity purchase agreements — including tolling arrangements, capacity-only contracts that exclude energy, and shared-resource arrangements between multiple off-takers. Designing the Program's contract verification and qualifying capacity rules to accommodate these structures would help ensure FOM hybrid energy storage systems are treated comparably to resources contracted through more traditional arrangements.

Together with the BTM dispatchability standards proposed in Section 6.5 above, these FOM-focused refinements would ensure that controllable hybrid energy storage systems

receive consistent treatment across both sides of the meter, thus reflecting the operational realities of how these resources are actually contracted, interconnected, and dispatched.

6.7 Demand Response Program Design and Treatment of Controllable Resources

Torus offers three observations on the proposed DR Program design and respectfully requests that the Initial Draft Proposal further develop each as follows:

6.7.1 Duration-Capped DR Accreditation

Consideration Design Document #2 proposes that DR accreditation follow the formula $QC = (\text{Max Load Reduction MW} \times \text{Dispatch Hours, capped at 4}) \div 4$, with QC capped at the number of hours determined by an SCH study and prorated below that.⁹ This approach provides administrative simplicity, and Torus would welcome stakeholder discussion of how the framework can also recognize DR resources and DR-equivalent resources that demonstrate sustained response capability beyond the cap. Stakeholder discussion of the duration-capped approach may benefit from considering its application across both FOM and BTM deployments in the following manner:

- **For FOM controllable storage provide DR-equivalent service to LSEs:** A FOM resource contracted to provide scheduled load-reducing dispatch (for example, peak shaving against an LSE's coincident peak) may have multi-hour, multi-cycle capability that extends beyond the 4-hour DR cap. Allowing such a resource to demonstrate accreditation reflective of its full capability would help ensure the Program captures the reliability value the resource actually provides.
- **For BTM controllable storage service customer load with utility-directed dispatch:** A BTM resource that operates under a scheduled dispatch or utility-directed operating envelope may deliver a reliability contribution that resembles DR operationally, while offering greater controllability, longer duration, and more predictable performance than traditional DR programs. Allowing accreditation to reflect this full capability would help the Program recognize the additional reliability value these resources can provide.

⁹ Consideration Design Document #2, *supra* note 3, at 9.

Furthermore, Torus recommends that the Initial Draft Proposal:

- Permits DR resources and DR-equivalent resources with demonstrated longer-duration capability to seek accreditation above the 4-hour cap based on operational evidence, rather than imposing the cap as an absolute ceiling;
- Allows controllable storage resources providing DR-equivalent service to elect storage-based accreditation (e.g. ELCC) rather than DR-based accreditation where the resource's capability supports it, regardless of whether it sits in front of or behind the meter; and
- Calibrates the SCH-study basis for the duration cap to reflect actual system needs and the operational profile of modern controllable resources, rather than defaulting to four hours as a fixed administrative parameter.

As noted in this letter's Section 6.4, the Great Britain Capacity Market differentiates storage by duration through its EFC methodology and a specific Duration Limited classification.¹⁰ The Republic of Ireland has also separately consulted on procurement mechanisms for long-duration energy storage resources of four hours or greater duration. Both actions reflect broader recognition that storage may warrant differentiated treatment across duration classes and operational profiles.¹¹ The RA Work Group may find these approaches useful as it considers how the framework can accommodate the range of duration capabilities present in controllable resources.

6.7.2 Modeling Demand Response as "Dispatched Last"

The Consideration Design Document #2 proposes that DR resources be modeled as flexible high-cost resources dispatched last in Program modeling, with no forced outage rates assigned. This modeling treatment reflects how DR has historically been used — primarily as an emergency or last-resort resource, dispatched infrequently and when other resources are exhausted. As DR programs and DR-equivalent resources evolve, there is an opportunity for the Program's modeling treatment to reflect a broader range of operational profiles. A scheduled or utility-directed controllable storage resource can dispatch reliably and routinely, with response characteristics that are predictable and verifiable through telemetry.

¹⁰ *Storage & Renewables De-rating Factors*, *supra* note 6.

¹¹ *Long Duration Energy Storage (LDES) Procurement Mechanism Consultation*, EirGrid (Oct. 13, 2025), available at <https://consult.eirgrid.ie/en/consultation/long-duration-energy-storage-ldes-procurement-mechanism-consultation>.

Stakeholder discussion of how modeling can better capture the reliability contribution of such resources could strengthen the Program in two ways. First, it would help reflect that controllable storage providing DR-equivalent service can often be among the most readily dispatchable resources in an LSE's portfolio and can be available for routine system-stress response rather than only last-resort dispatch. Second, it would help promote consistent treatment between FOM controllable storage (modeled as supply-side capacity available throughout the dispatch stack) and BTM or DR-classified equivalents of the same physical resource, recognizing that comparable capability deserves comparable representation in modeling. Torus suggests that the Initial Draft Proposal explore distinguishing between DR resources with demonstrated reliable routine dispatch capability and traditional emergency-only DR Programs, with modeling treatment that reflects each profile. Telemetry-verified dispatch performance could be one of several signals the Program uses to determine the appropriate modeling treatment for a given resource.

6.7.3 Supply-Side vs. Embedded-in-Load Classification Choice

The Consideration Design Document #2 allows participants to model DR programs either as supply-side resources in compliance submittals or to leave the effects embedded in their historical load forecasts. This flexibility is useful, but the choice has significant downstream implications that the Program should address with clearer guidance. For hybrid energy storage resources this classification choice has the following direct implications:

- **For FOM controllable storage contracted to LSEs:** When the storage resource's effect is embedded in the LSE's load forecast rather than counted as supply-side capacity, the resource has reduced visibility in RA accounting, which in turn shapes the procurement signal for further development of similar resources.
- **For BTM controllable storage serving customer load:** When BTM resources are routinely embedded in load forecasts, they may not appear as supply-side contributors in the Program even where their dispatchability and controllability would otherwise qualify them under the BTM framework described in Section 6.5. Clearer guidance on this classification choice would help ensure consistent treatment.

Torus recommends that the Initial Draft Proposal:

- Establish a default presumption that controllable resources meeting supply-side eligibility criteria (including controllable hybrid energy storage systems on either side of the meter) are classified as supply-side capacity rather than embedded in load;
- Provide clear guidance on when embedded-in-load treatment is appropriate (e.g., for legacy DR programs without resource-specific telemetry) versus when supply-side classification is required (e.g., for resources with verified dispatch performance); and
- Address how the classification choice interacts with EDAM Resource Sufficiency Evaluation (RSE) treatment, to avoid creating inconsistency between forward planning and operational frameworks.

6.8 Performance Measurement — Use of WEIM/EDAM Telemetry

Torus supports the RA Work Group's lean toward using WEIM and EDAM market operations data as the primary backbone for resource performance measurement. This approach has three advantages:

- It minimizes administrative burden on participants and resource providers;
- It uses operationally validated data rather than self-reported submissions; and
- It creates consistency between forward planning and operational measurement.

Torus recommends that the Program also establish a clear pathway through which participants may elect to submit supplemental data where market telemetry does not fully capture performance. This pathway should be predictable, available at the participant's option, rather than as a Program requirement, and not subject to ad hoc review. The supplemental data pathway should be predictable and not subject to ad hoc review. For example, other capacity mechanisms, such as the Single Electricity Market Capacity Remuneration Mechanism in Ireland and Northern Ireland have incorporated performance data and periodic methodology updates as accreditation assumptions evolve with operational experience.¹²

6.9 Performance Testing Under Stressed Conditions

The Program Overview Document raises the question of whether resources should be required to conduct performance tests under stressed conditions that affect accreditation. Torus proposes that any such testing requirement be

¹² CRM Capacity Requirement, *supra* note 7.

designed with care to avoid penalizing resources that have legitimate operational reasons not to dispatch during specific stress windows (e.g., resources committed to other obligations, resources in scheduled maintenance, resources subject to environmental constraints). A reasonable framework would credit resources for actual performance during stress events that did occur and were within the resource's commitment, rather than imposing artificial test conditions that may not reflect how the resource is normally dispatched. Doing so would allow the Program's testing regime to reflect the conditions under which the capacity is most needed.

7. For Consideration Design Document #3 (Compliance Submittal Requirements, Load Forecasting, Transmission): provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations.

Torus comments for Consideration Design Document #3 are provided below.

7.1 Compliance Submittal Timing

For storage resources that may participate in multiple value streams (e.g. RA, ancillary services, energy arbitrage), clear rules about how RA commitments interact with other commitments during the 60-day window will be important.

7.2 Coincident Peak Load Forecasting Methodology

Torus supports Consideration Design Document #3's proposed coincident peak methodology in principle.¹³ By aligning RA obligations with each participant's contribution to system-coincident peak better reflects cost causation and creates appropriate incentives for load management. However, the coincident peak approach assumes that each participant's contribution to system peak is reasonably stable from year to year. For participants serving rapidly growing or changing load profiles (e.g. data centers, electrification-driven growth, industrial decarbonization), the coincident peak contribution may shift substantially within the Program's planning horizon. The Initial Draft Proposal should establish a clear process for updating coincident peak contributions as load profiles evolve, balanced against the need for forward stability that the two-year notification period is designed to provide.

¹³ Consideration Design Document #3: Compliance Submittal Requirements, Load Forecasting, and Transmission, Regional Organization for Western Energy, Stakeholder Workshop #4 (May 21, 2026), available at https://rowesternenergy.org/wp-content/uploads/2026/05/Consideration-Design-Document-Workshop-4_Final.pdf.

7.3 Non-Conforming Loads

Consideration Design Document #3 acknowledges that non-conforming loads (i.e. loads with on-site generation, curtailable demand, or load profiles that do not increase during system stress) may warrant differentiated treatment. Torus agrees and offers the relevant observation that customers with BTM dispatchable storage are a form of non-conforming load. The net load profile of BTM dispatchable storage during system stress can be materially different from, and often lower than their gross load. The Initial Draft Proposal should address how participants' load forecasts treat customers with BTM dispatchable storage, including whether the storage contribution is netted from forecast load, accredited as a supply-side resource, or both. The treatment chosen will materially affect the economics of BTM storage deployment in participating territories.

7.4 Transmission Demonstration

Transmission demonstration is an area where the Program's frameworks could particularly benefit from reflecting the operational characteristics of hybrid energy storage systems with controlled dispatch, alongside the worst-case uncontrolled-export assumptions historically associated with variable energy resource study practices. Specifically, Torus recommends that the Initial Draft Proposal addresses the following:

- **Recognize controlled dispatch in deliverability studies.** A hybrid energy storage system that operates under a scheduled or utility-directed dispatch profile presents a different deliverability profile than a resource dispatched at uncontrolled maximum export during all hours. Deliverability studies that incorporate the controlled dispatch profile, rather than defaulting to worst-case uncontrolled export, would more accurately characterize the transmission required for the resource to support RA capacity.
- **Establish a framework for crediting transmission reservations consistent with controlled dispatch.** Where a hybrid energy storage system is committed to a controlled dispatch profile, scaling the firm transmission demonstration to that profile, rather than to nameplate or worst-case output, would better align the demonstration with the resource's operational characteristics. This is particularly relevant given the RA Sponsors' acknowledgment of constrained available transmission capacity (ATC) across critical paths.

- **Provide an interim bridging framework that accommodates current ATC realities.** Torus supports the RA Work Group's recognition that firm transmission is constrained and that an interim bridging framework is needed. Designing this framework to enable controllable resources to count as RA capacity using non-firm or conditional firm transmission (i.e. where the resource's-controlled dispatch profile reduces deliverability risk) could help bridge near-term feasibility with long-term deliverability objectives.
- **Coordinate with adjacent interconnection processes.** Transmission demonstration in the RA Program is distinct from interconnection studies under each utility's Open Access Transmission Tariff, but the two are closely related. The Initial Draft Proposal would benefit from a process for ensuring that resource treatment in deliverability studies (i.e. whether firm transmission is required, whether controlled dispatch is recognized, how interim arrangements are structured) aligns with how the same resource is treated in interconnection studies, helping reduce friction across processes.
- **Account for the diversified profile of aggregated distributed resources.** A fleet of distributed resources coordinated as a single dispatchable portfolio presents a different deliverability profile than one large resource injecting at a single point of interconnection, with output dispersed across the network rather than concentrated on a specific path. Deliverability studies that evaluate the coordinated portfolio's actual aggregate profile capture both the diversity of injection points and expected output during correlated system-stress conditions, and would more accurately characterize the transmission a distributed fleet requires than summing worst-case single-injection assumptions across components. Where a fleet's dispersed, controllable profile measurably reduces concentration on constrained corridors, the transmission demonstration should reflect that reduction.

8. For Consideration Design Document #4 (Compliance Structure incl. penalties,)/Reporting & Transparency): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations.

Torus supports the compliance structure's forward visibility orientation through its framework for non-binding annual demonstrations paired with binding monthly

demonstrations focused on periods of highest reliability risk.¹⁴ This approach reflects the appropriate emphasis on market-based solutions, regional diversity, and minimized administrative burden. Our specific comments on Consideration Design Document #4 are detailed below.

8.1 Compliance Submittal Cadence and Percentages

Torus supports the proposed structure of a non-binding Annual Compliance Submittal at 90% of demonstrated capacity, paired with binding Monthly Compliance Submittals at 100% of demonstrated capacity, due 60-days ahead of the applicable month.¹⁵ This approach will balance forward visibility with procurement certainty as the operating period approaches. As the RA Work Group weighs whether seasonal or alternative showings would better balance planning certainty against forecast uncertainty, Torus encourages a consideration of how each cadence interacts with storage, as storage's contributions depend on the duration and timing of modeled stress rather than a single annual peak. A cadence that captures seasonal and monthly variations would more accurately reflect when duration-limited and controllable resources are most valuable.

8.2 Binding Months and Multi-Year Predictability

Torus supports limiting binding obligations to designated peak demand months, as it focuses accountability where reliability risk is highest. However, two points warrant emphasis and attention. First, the predictability Consideration Design Document #4 identifies as valuable is particularly important for resource developers, as predictability will inform siting, sizing, and financing decisions for new controllable resources. Unpredictability in the designation of peak demand months could weaken the investment signal the Program intends to create. Second, the reliability analyses used to designate binding months should account for the evolving distribution of stress events. As additional storage and variable resources interconnect, the timing and duration of system stress may shift. That shift bears directly on which months will bind and how duration-limited resources will be credited.

¹⁴ Consideration Design Document #4: Compliance Structure, Reporting and Transparency, Regional Organization for Western Energy, Stakeholder Workshop #5 (May 26, 2026), available at https://rowesternenergy.org/wp-content/uploads/2026/06/Consideration-Design-Document-Workshop-5_Final.pdf.

¹⁵ *Id.* at 2.

8.3 Transmission Demonstration and the Firm Transmission Percentage

Torus appreciates the RA Sponsors' candor that consensus has not been reached on the firm transmission percentage amount and that 75% is offered only as a starting point. Consistent with Section 7.4 above, Torus encourages the RA Work Group to consider a demonstration framework that recognizes controlled dispatch and accommodates conditional firm transmission and network transmission. Instead of fixing the firm transmission percentage in advance, an analysis of regional transmission connectivity as contemplated by Consideration Design Document #4 is necessary. Given the acknowledged scarcity of firm transmission on critical paths, Torus supports a best-efforts demonstration pathway, including an exception process for outages, derates, system constraints, and pending firm transmission requests as noted in Consideration Design Document #4. We encourage the RA Work Group to define what constitutes good-faith progress toward curing a transmission shortfall, so that resources physically capable of delivering are not unnecessarily excluded due to transmission conditions outside a participant's control. At the same time, Torus recognizes that any flexibility afforded to non-firm transmission arrangements must be balanced against the Program's core objective of ensuring deliverable capacity during stressed conditions.

8.4 Compliance Determination Administrative Charges and Remedies

Torus recognizes that the RA Work Group has not yet settled on a framework for charges or remedies and offers two design principles for consideration. First, the remedies framework should distinguish a capacity shortfall from a transmission shortfall, since the two arise from different causes. A resource may be fully available from a capacity standpoint, yet unable to secure firm transmission on a constrained path. Second, remedies should be calibrated to recognize best efforts where firm transmission is genuinely unavailable, consistent with the interim bridging framework discussed in Section 7.4. A remedies structure aligned with deliverability realities will better support the Program's reliability objectives while preserving incentives for participants to pursue transmission solutions where available.

8.5 Operational Window Ahead of the EDAM Resource Sufficiency Evaluation

Torus supports the RA Work Group's consideration of an operational window allowing participants a final opportunity to transact and leverage regional diversity before the EDAM RSE. Controllable hybrid energy storage is well-suited to provide flexible capacity in such a window because it is schedulable,

fast-responding, and capable of routine rather than last-resort dispatch. Torus recommends that the operational window be designed so controllable and aggregated resources can participate, and that a resource's RA classification and its treatment in the RSE remain consistent to avoid the forward planning versus operational inconsistency noted in Section 6.7.3. More broadly, Torus supports the RA Work Group's emphasis on market-based solutions and believes the compliance framework should preserve flexibility for participants to address shortfalls through bilateral transactions and evolving regional market opportunities.

8.6 Program Service Provider Operations and Reporting Transparency

Torus supports the proposed reporting structure, including the PSP's presentation of RA study results, ELCC outcomes, and binding and advisory PRM values, with a participant review opportunity prior to publication. However, we suggest two refinements to strengthen it: greater transparency into the PSP's methodologies and a publication cadence that provides the market with a usable signal while protecting confidentiality. First, the methodologies the PSP applies (i.e. ELCC inputs, accreditation assumptions, and the reliability analyses used to designate binding months) should be documented and open to technical engagement from resource providers and technology developers. This would be consistent with the technical input channel discussed in Section 5.1. Visibility into how resource classes are accredited will help developers and the LSEs procuring from them anticipate Program treatment. Second, on cadence and confidentiality, Torus supports publishing aggregated accreditation and reliability results frequently enough to give the market a usable signal, at minimum annually, with consideration of interim updates, while aggregating or anonymizing data as needed to protect participants' commercial positions.

C. Spring Workshops

9. What aspects of the spring workshops were helpful? What suggestions should we consider to structure the summer workshops differently to better present material and foster open dialogue?

Torus found the spring workshops to be engaging, informative, and well-formatted. The RA Work Group's effort to host accessible virtual sessions and its provision of the Consideration Design Documents supported informed and meaningful stakeholder participation. For the upcoming summer workshop series, we suggest dedicating time

within at least one session specifically to resource accreditation methodology for hybrid energy storage systems and other emerging technologies, given the technical complexity and the number of open design questions in this area.

D. Other

10. Please use this section to provide any additional feedback not covered in the sections above.

Torus notes that other capacity mechanisms have implemented auction-based capacity frameworks with technology-specific accreditation and de-rating methodologies that have been updated as operational experience has accumulated. For example, the Great Britain NESO utilizes a Capacity Market Auction that only prequalified participants can participate in.¹⁶ Furthermore, Ireland and Northern Ireland's Single Electricity Market Capacity Remuneration Mechanism utilizes a competitive auction-based design for capacity procurement.¹⁷ Torus does not suggest direct adoption of these models in the Western context, but offers them as reference points the RA Work Group may find useful as it considers how the Program can accommodate the wide range of resource characteristics now entering capacity markets.

Conclusion

Torus appreciates that the Initial Draft Proposal, Revised Draft Proposal, and eventual handoff to the ROWE Board constitute a multi-stage process with opportunities for continued refinement. We expect to provide additional comments at subsequent stages and look forward to participating in the summer workshops. Torus is available to provide technical input on any of the areas addressed above, particularly with respect to hybrid energy storage system accreditation, scheduled dispatch frameworks, FOM controllable hybrid energy storage, and BTM dispatchability standards. We welcome the opportunity to engage directly with the RA Work Group on these topics.

¹⁶ *Capacity Market*, National Energy System Operator, (accessed Jun. 3, 2026), available at <https://www.neso.energy/what-we-do/energy-markets/electricity-market-reform-emr-delivery-body/capacity-market>.

¹⁷ *Capacity Remuneration Mechanism*, Single Electricity Market Committee (accessed Jun. 3, 2026), available at <https://www.semcommittee.com/capacity-remuneration-mechanism-0>.

DATED this 12 day of June 2026.

Respectfully submitted,

TORUS INC.



[Nate Walkingshaw \(Jun 12, 2026 10:20:55 PDT\)](#)

Nate Walkingshaw
CEO and Founder
Nate-walkingshaw@torus.co



June 10, 2026

Via Email: resourceadequacy@rowesternenergy.org

Regional Organization for Western Energy

RE: Wyoming Energy Authority Comments Regarding the New EDAM Resource Adequacy Program

Introduction

As western electricity markets continue to evolve, the development of a Resource Adequacy (RA) framework for non-CAISO entities participating in the Extended Day-Ahead Market (EDAM) will be a critical issue for the Regional Organization for Western Energy (ROWE). Wyoming has a strong interest in ensuring that any future RA construct supports reliability, preserves state authority, promotes investment certainty, and avoids unnecessary cost shifts or market distortions. Wyoming's generation fleet and transmission system provide essential reliability benefits across the West, and any regional RA framework must recognize and appropriately value those contributions.

Wyoming's Core Principles

The Wyoming Energy Authority's (WEA) position is grounded in several core principles:

First, states must retain authority over resource planning, generation mix decisions, and integrated resource planning processes. A regional RA framework should complement, rather than supplant, state jurisdiction and utility planning responsibilities.

Second, reliability must remain the central objective of any RA program. The West is entering a period of significant load growth driven by electrification, industrial expansion, and data center development, while also facing heightened risks from extreme weather, fuel supply uncertainty, and accelerated generation retirements. Any RA construct must ensure that sufficient dispatchable and deliverable capacity is available during stressed system conditions.

Third, the program must avoid cost shifts between states, utilities, customer classes, or market participants. Wyoming ratepayers should not bear costs associated with resource decisions or reliability shortfalls originating elsewhere in the region.

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Fourth, the program should recognize the diversity of western systems. Utilities across the West operate under different regulatory structures, resource portfolios, and transmission constraints. A successful RA framework must accommodate those differences while still supporting effective regional coordination.

Regional Framework with Guardrails and State Authority

Wyoming supports the development of a regional RA framework under ROWE, provided the program includes clear safeguards and strong transparency measures. A well-designed regional construct has the potential to improve visibility into system conditions, establish common reliability metrics, and support more efficient use of regional resources and transmission infrastructure. However, participation in EDAM should not automatically impose a one-size-fits-all mandatory capacity market structure. Wyoming instead advocates for a flexible framework that emphasizes reliability accountability and planning transparency for regulators and state policymakers.

The RA program should require load-serving entities to demonstrate sufficient resources to meet peak demand and stressed system conditions while preserving flexibility in how those obligations are satisfied. Because western utilities operate under diverse regulatory and operational structures, a uniform capacity market design would be inappropriate. Vertically integrated utilities already conduct long-term resource planning through state-regulated IRP processes and should not face duplicative procurement requirements.

Wyoming also supports the development of a durable and transparent governance structure for any regional RA program administered under ROWE. Governance should ensure that states, utilities, public power entities, cooperatives, and market participants have meaningful opportunities to participate in policy development while preserving state authority over integrated resource planning, generation resource decisions, and retail ratemaking. The proposed ROWE governance structure appropriately recognizes the importance of independent oversight, technical stakeholder engagement, and state advisory participation. Wyoming supports the concept of an independent ROWE Board serving as the ultimate oversight authority, while emphasizing that governance structures must remain balanced, transparent, and responsive to regional diversity. Wyoming further supports continued development of a Technical Oversight Committee (TOC) to provide a structured venue for participant expertise and technical review, particularly on modeling assumptions, reliability metrics, compliance constructs, and transmission deliverability.

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At the same time, Wyoming believes the role of states and regulators should be strengthened through the Body of State Regulators (BOSR) or related advisory structures. States must have meaningful input into major policy decisions, reliability standards, and tariff changes that could materially affect customers, utilities, and long-term resource planning obligations.

Data Transparency and Common Definitions

Wyoming advocates for robust data transparency requirements within any ROWE-administered RA program. Consistent, comparable, and publicly accessible reporting will be essential for states, regulators, utilities, and stakeholders to evaluate reliability outcomes and market performance. Wyoming encourages ROWE to use, where feasible, the terminology and definitions developed by the Western Power Pool's (WPP) Western Resource Adequacy Program (WRAP). When alignment isn't possible, ROWE should establish standardized definitions for key metrics and provide a clear "Rosetta Stone" to cross-walk terminology and methodologies across ROWE, WRAP, and Southwest Power Pool programs such as Markets+. Without common definitions, states will face significant challenges comparing performance across markets and balancing authorities. The ultimate goal is to ensure regulators and policymakers can meaningfully assess procurement and investment decisions while effectively scrutinizing utilities' Integrated Resource Plans (IRPs).

Wyoming also recommends state-level reporting capabilities that allow participating states to evaluate whether their resources are supporting regional reliability, whether local customers are receiving commensurate reliability benefits, and whether market participation is creating unintended cost allocation impacts. Additionally, to the extent feasible, the ability to construct and interpret counterfactual scenarios would provide valuable insights into the benefits and performance of the program.

Dispatchable Generation & Transmission

Wyoming's existing coal and natural gas generation fleet provides significant reliability and fuel security benefits to the broader western region. Any RA framework must appropriately recognize the contribution of dispatchable resources that can perform during extended weather events, periods of renewable variability, and transmission stress conditions. Capacity accreditation methodologies should be transparent, technically sound, and regionally consistent. Wyoming would oppose approaches that undervalue thermal generation without fully accounting for reliability risks associated with intermittency, extreme weather, or transmission limitations.

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Wyoming also supports recognition of place-based capacity value for intermittent resources. For example, Wyoming's wind resources consistently rank among the highest capacity factors in the country, and should be accredited accordingly, rather than treated identically to wind in lower-performing regions. Similarly, solar resources in the Desert Southwest should receive higher accreditation than solar resources in the Pacific Northwest. Wyoming supports continued refinement of ELCC and resource qualification methodologies but cautions against approaches that systematically undervalue thermal generation or overstate deliverability assumptions for intermittent resources.

The RA program should require load-serving entities to demonstrate sufficient resources to meet peak demand and stressed system conditions while preserving flexibility in how those obligations are met. Vertically integrated utilities already conduct long-term resource planning through state-regulated IRP processes and should not face duplicative procurement requirements. The RA framework should allow compliance through a mix of owned generation, market purchases, bilateral contracts, and transmission arrangements. Wyoming cautions against designs that incentivize short-term market reliance at the expense of long-term investments in baseload or dispatchable resources. Wyoming also emphasizes the importance of understanding whether utilities are relying on the same markets to meet their RA obligations, which could create correlated risks.

Transmission availability and deliverability will be central to the success of any regional RA construct. Wyoming exports substantial quantities of electricity throughout the West and should receive appropriate recognition for the regional reliability value of its generation fleet and transmission system. Any transmission-related cost allocation and deliverability framework must avoid shifting costs to Wyoming customers for upgrades primarily driven by out-of-state policy choices or load growth. Wyoming also urges careful evaluation of how EDAM congestion management frameworks will interact with the RA program. Further technical analysis is needed to understand transmission constraints under stressed conditions and varying resource mixes. For example, during a prolonged summer heat event in the Pacific Northwest, a neighboring state may rely heavily on imports from Wyoming coal and natural gas generation to maintain reliability. If congestion limits the ability to move Wyoming generation into the constrained area, regional planners may propose major transmission upgrades. Wyoming's position is that its customers should not bear a disproportionate share of those costs when the underlying need is driven by rapid out-of-state policy decisions, such as accelerated generation retirements or state-specific clean energy mandates.

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Enforcement

Any regional RA framework should include clear, enforceable reliability obligations supported by appropriate compliance mechanisms, incentives, and penalties. Entities participating in the program must be accountable for maintaining sufficient accredited and deliverable resources to meet their obligations. Meaningful enforcement provisions help discourage reliability shortcomings, support better long-term planning, and ensure that all participants contribute fairly to regional reliability objectives. At the same time, the framework should encourage long-term investment in reliable and dispatchable resources, firm transmission arrangements, and other infrastructure that demonstrably improves system reliability. Penalty structures should be transparent, predictable, and proportionate to the severity of compliance deficiencies, ensuring they reinforce - not undermine - sound reliability planning.

Market Monitoring

As noted in Wyoming's previous comments to Pathways and ROWE, the state supports the inclusion of an independent market monitor, or, as proposed, a "Program Assessor" or similar market monitoring function to evaluate market behavior, reliability outcomes, and unintended program consequences. Independent oversight will be critical to identifying market manipulation risks, reliability deficiencies, and design flaws before they undermine confidence in the program. Wyoming believes oversight structures must remain sufficiently independent and adaptable as the program evolves.

Conclusion

Wyoming supports continued stakeholder development of a regional RA framework under ROWE that enhances reliability coordination while preserving state authority, protecting consumers, and recognizing the reliability contributions of dispatchable generation and transmission infrastructure. The framework should remain transparent, flexible, and technically grounded, with meaningful state participation in governance and policy development. A well-designed RA program can strengthen regional reliability and market coordination without undermining state authority or imposing unjustified costs on Wyoming customers.

Sincerely,

John Jenks
Director of Energy Markets Development

Wyoming Energy Authority

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CALIFORNIA COMMUNITY CHOICE ASSOCIATION'S COMMENTS ON THE REGIONAL RESOURCE ADEQUACY PROGRAM OVERVIEW DOCUMENT, CONSIDERATION DESIGN DOCUMENTS, AND SPRING WORKSHOPS

INTRODUCTION

The California Community Choice Association (CalCCA) appreciates the opportunity to comment on the Program Overview Document, Consideration Design Documents, and Spring Workshops on regional Resource Adequacy (RA) for Extended Day-Ahead Market (EDAM) balancing authority areas (BAAs) and EDAM leaning BAAs. The Sponsors of this stakeholder process intend to: “design a voluntary, interoperable program to leverage the diversity benefits of the EDAM footprint and complement EDAM’s market-based efficiencies while ensuring that each participant maintains sufficient physical and contractual capacity to reliably meet its load obligations under a wide range of system conditions.”¹ The reliability landscape in the West is being stressed by unprecedented forecasted load growth, resource retirements, and ongoing challenges developing new capacity (e.g., supply chain issues, interconnection backlog). Careful coordination across Western states will support meeting reliability requirements in a reliable and affordable manner.

CalCCA’s members, 24 community choice aggregators (CCA) operating within the California Independent System Operator (CAISO) region, participate in the California Public Utilities Commission’s (CPUC) RA program. As such, they have a keen interest in this stakeholder process to ensure interoperability of the multiple RA programs used by EDAM-participating load-serving entities (LSE). In addition, CCAs can share lessons-learned through participation in the CPUC’s RA program. In response to the Program Overview Document, Consideration Design Documents, and Spring Workshops, CalCCA recommends herein that the RA Sponsors and Work Group members:

- Work with entities participating in other Western RA programs (e.g., the CPUC’s RA program) to answer the question of whether the multiple RA programs used by EDAM participants are interoperable to ensure their operations will not result in unintended consequences for each other;
- Adopt the proposed “Program Assessor” role to serve as a “critical safeguard to ensure that program structures do not create opportunities for the exercise of market power and continue to function in a manner that is reliable, efficient, and non-discriminatory”² and request the CAISO Department of Market Monitoring (DMM) fill the role; and
- Continue leveraging a similar stakeholder process structure for future proposal development.

¹ Program Overview Document, at 2.

² Consideration Design Document: Governance, at 7.

PROGRAM OVERVIEW DOCUMENT

- 1. Foundational Principles: are there any foundational principles missing or any adjustments needed that should be considered for incorporation into the Initial Draft Proposal?**

CalCCA has no comments at this time.

- 2. Are there any Key Design Elements missing that should be added into the Initial Draft Proposal?**

CalCCA has no comments at this time.

- 3. Are there any other additional foundational questions that should be explored when drafting the Initial Draft Proposal?**

The RA Sponsors and Work Group members should work with entities participating in other Western RA programs (e.g., the CPUC's RA program) to answer the questions of whether the multiple RA programs used by EDAM participants are interoperable to ensure their operations will not result in unintended consequences. For example, programs should be designed in a manner that prevents resources from being double counted in multiple programs. As key design elements are developed, CalCCA is eager to participate in these conversations, as an organization with experience participating in the CPUC's RA proceeding and representing CCAs that participate in the RA program.

- 4. Please provide any additional feedback you would like to share regarding the Program Overview Document.**

CalCCA has no comments at this time.

CONSIDERATION DESIGN DOCUMENTS

- 5. For Consideration Design Document #1 (Governance): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.**

As stated during the May 7, 2026, workshop, CalCCA strongly supports the proposed "Program Assessor" role to serve as a "critical safeguard to ensure that program structures do not create opportunities for the exercise of market power and continue to function in a manner that is reliable, efficient, and non-discriminatory" and the use of the DMM to fill that role.³ The CPUC's RA program currently only has a mechanism in place to mitigate market power in

³ Consideration Design Document: Governance, at 7.

locally constrained areas.⁴ It does not have a mechanism to mitigate market power on a system level. This is a shortcoming of the CPUC’s program that has resulted in significant RA costs for ratepayers. For example, in 2023 and 2024, system RA supply was very constrained.⁵ By the end of 2024, CalCCA observed RA transactions reaching \$100 per kilowatt (kW)-month.⁶

If supply constraints emerge in the West, it will be important to have the Program Assessor role in place to prevent the exercise of market power and to protect *all* ratepayers from excessive RA costs. The DMM has the expertise necessary to fulfill this role and can assess market competitiveness across the West, not just the regions included in the regional RA program. Supply constraints are not isolated to individual states or BAAs, as such constraints can affect these areas’ ability to import or export RA to other regions. Therefore, the Program Assessor can monitor “participant behavior, program outcomes, and underlying assumptions to identify potential design flaws, unintended consequences, and opportunities for improvement”⁷ for all EDAM-participating LSEs’ RA programs.

- 6. For Consideration Design Document #2 (RA Modelling & Metrics/Resource Qualification (incl. Contracts)/Resource Performance Requirements): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.**

CalCCA has no comments at this time.

- 7. For Consideration Design Document #3 (Compliance Submittal Requirements/Load Forecasting/Transmission): provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations Providing as much detail as possible is appreciated.**

CalCCA has no comments at this time.

⁴ The CPUC local RA program includes a local RA “waiver” opportunity, in which LSEs receive a waiver if they demonstrate that they were unable to obtain sufficient local RA below a specific price despite good faith efforts to do so. See D.06-06-064, *Opinion on Local Resource Adequacy Requirements* (June 30, 2006): https://docs.cpuc.ca.gov/PublishedDocs/WORD_PDF/FINAL_DECISION/57644.PDF.

⁵ See *California’s Constrained Resource Adequacy Market: Ratepayers Left Standing In A Game Of Musical Chairs* (Jan. 16, 2024) (discussing constrained supply conditions in the Stack Analysis in Figure 3, at 8, and their impact on prices, at 9-11), https://cal-cca.org/wp-content/uploads/2024/02/CalCCA-Stack-Analysis-2023-2026-updated-01_16_24-.pdf.

⁶ CalCCA analysis of Federal Energy Regulatory Commission (FERC) Electric Quarterly Report (EQR) data demonstrates that prices for RA reached over \$100 per kW-month in 2024. CalCCA observed three transactions (totaling 92 MW) at prices of \$100-101/kW-month for sale of capacity to California LSEs, delivered in 2024. CalCCA’s analysis is based on EQRs downloaded from <https://eqrreportviewer.ferc.gov/>.

⁷ Consideration Design Document: Governance, at 7.

8. **For Consideration Design Document #4 (Compliance Structure (incl. penalties) / Reporting & Transparency): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.**

CalCCA has no comments at this time.

SPRING WORKSHOPS

9. **What aspects of the spring workshops were helpful? What suggestions should we consider to structure the summer workshops differently to better present material and foster open dialogue?**

CalCCA appreciates the level of stakeholder engagement offered through the spring workshops. Given this RA program will be voluntary, it is reasonable for the RA Sponsors and Work Group to be made up of potential future participants, and for these entities to have primary responsibility for shaping the proposal. At the same time, the spring workshops provided ample opportunities for other stakeholders to provide input, in writing through comments and verbally through the stakeholder meetings, for the RA Sponsors and Work Group's consideration. CalCCA supports a similar structure for the summer workshops.

OTHER

10. **Please use this section to provide any additional feedback not covered in the sections above.**

CalCCA has no additional comments at this time.

Respectfully submitted,

Lauren Carr

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June 17, 2026

TO: RA Sponsors and Work Group

FR: Alex DeGolia, Senior Director, Clean Electricity, EDF

RE: Comments of the Environmental Defense Fund on the EDAM Regional Resource Adequacy Program Proposal

Introduction

Environmental Defense Fund (EDF) is a non-profit advocacy organization with more than 3 million members, working to create transformational solutions to the most serious environmental problems. To do so, EDF links science, economics, law, and innovative private-sector partnerships to turn solutions into action. EDF appreciates the opportunity to comment on the proposed Regional Resource Adequacy (RA) program and commends the RA Sponsors and Work Group for the open, stakeholder-driven process that has shaped the initial design conversations.

EDF has engaged in Western wholesale market design and integration for many years, including through its participation as a member of the Pathways Launch Committee and its efforts to support formation of the Regional Organization for Western Energy (ROWE), including via its partner EDF Action's efforts as a sponsor of Assembly Bill (AB) AB 825 in 2025, which allows for the transfer of operational oversight of existing Western market functions from the California Independent System Operator to the ROWE if certain conditions are met.

EDF supports regional electricity markets as a means of improving regional reliability, reducing costs for customers, and lowering emissions by enabling more efficient use of the region's clean generation resources, reducing renewable curtailment, and ultimately leading to increased renewable energy development in the region. EDF supports expanding the suite of market services overseen by the ROWE to include Resource Adequacy and thinks that this initiative is timely. A well-designed regional RA program can help support each of these objectives; as such, EDF strongly supports the development of the Regional RA Program and looks forward to working collaboratively to design and improve the program in the coming months and years.

EDF offers these comments with an eye toward ensuring the RA program is positioned to maximize its ability to improve reliability, affordability, and environmental outcomes for the region and its customers.

EDF's comments address three key points:

1. EDF supports the development of a regional RA program as a service provided within the independent oversight and authority of the ROWE;
2. The program's penalty structure should be defined and benchmarked so that it does not distort where capacity is contracted across the West; and
3. The RA program should be tightly integrated with the day-ahead and real-time energy markets offered by ROWE and should include a must-offer obligation on shown capacity.

We look forward to working through the ongoing stakeholder process to evaluate the program's proposals and provide additional comments as the effort progresses.

EDF Supports the Regional RA Program as a Service Overseen by the Independent Structure Offered with ROWE

A regional RA program would deliver concrete benefits to participants and their customers. By drawing on the geographic diversity of a broad regional footprint, participants can meet a common reliability standard with less total capacity than each could if they were acting alone – a direct affordability benefit at a time of significant cost pressure on customers. For these reasons, EDF supports the development of a regional RA program. Moreover, aligning the RA program with the Extended Day-Ahead Market (EDAM) and Western Energy Imbalance Market (WEIM) operational footprints to deliver that capacity further strengthens these gains by helping deliver (via the energy markets) the resources the RA program deems it can count on, and is consistent with how other organized markets pair resource adequacy with energy market services. EDF supports preserving the program's voluntary, non-discriminatory design and its commitment to comparable treatment of similarly situated participants.

EDF supports the development of a strong, independent ROWE which can administer a suite of market services across the West. Therefore, EDF supports the development of a regional RA program that is administered by the independent oversight and authority of ROWE. EDF views a regional RA program as a logical next step in extending ROWE's service offerings, one that could enhance the energy market offerings of the WEIM and EDAM. Placing both the EDAM/WEIM energy markets and the RA program under a common governance structure advances the efficiency and integration of Western markets. It also enables market participants to see a clear path of how the Pathways "Step 3" proposal could be accomplished. EDF encourages the ROWE to not only take up the oversight and governance of the RA Program but also to continue building on this model and evaluating the offering of additional services to Western utilities as the ROWE matures.

While EDF strongly supports the oversight of the program by ROWE, we have one important recommendation to enhance the governance and oversight of the program. EDF recommends the RA Sponsors propose a stronger, more structured role for state representatives in RA governance. The historic benefits of the Board of State Regulators (BOSR) and the public policy intensive nature of RA will be critical to ensure minimal seams in the market. The program materials invite input on enhancing the role of state bodies, and the Regulatory Advisory Group (RAG) currently sits in an advisory, non-decisional capacity.¹ EDF recommends that the program define clear, structured points at which state representatives are consulted and their input is considered before material program changes are made. This could strengthen the durability and state/regulator buy-in for the program without disturbing participant accountability.

Penalty Design Should Be Defined to Avoid Distorting Which RA Program Capacity Resources Contract Through

EDF's central concern with the initial program design relates to the need to balance participant flexibility with the risk that an undefined (or unenforced) penalty structure could distort incentives faced by capacity resources which may seek to participate in the RA program. If not adequately addressed, this could have the negative impact of drawing capacity away from the regional RA program and incenting its participation in neighboring programs that impose firmer consequences for a capacity deficiency, thereby increasing the value of these resources in neighboring jurisdictions.

The regional RA program's penalty structure is still undefined and could be headed toward a more flexible, less stringent approach than the penalty regimes in California RA,² WRAP,³ and SPP RA⁴ programs. While the regional RA program design should not be defined by

¹ See Consideration Design Document – Governance, page 6

² California RA (which is used as shorthand for the different entities that oversee elements of RA for utilities in California) imposes a defined deficiency consequence through various mechanisms. For instance, via the Capacity Procurement Mechanism (CPM), the CAISO designates backstop capacity for an LSE's RA shortfall and allocates the cost to the deficient LSE. See CAISO Tariff, Section 43A. Available here:

<https://www.caiso.com/documents/section-43a-capacity-procurement-mechanism-as-of-may-1-2025.pdf>.

The CPUC separately assesses monetary penalties for RA procurement shortfalls (see annual CPUC RA Filing Guide; origin in D.06-06-064).

³ WRAP assesses a Forward Showing Deficiency Charge on a participant that fails to cure an identified capacity deficiency within the cure period; the charge is calculated using the annual Cost of New Entry (CONE) and a CONE Factor. See WRAP Tariff, Part II, § 17 (Forward Showing Deficiency Charge); see also id. §§ 1 (defining "CONE" and "CONE Factor"), 13.2, 14.5.1. Available here:

https://www.westernpowerpool.org/private-media/documents/WRAP_Tariff_Effective_3.16.25.pdf

⁴ SPP RA requires each Load Responsible Entity to meet a Resource Adequacy Requirement (Net Peak Demand plus a 15% Planning Reserve Margin), with a deficiency payment based on a multiple of CONE applied to shortfalls (up to 2× CONE following the sufficiency valuation curve transition). See SPP Open

penalty structures established by other RA programs in the region, and EDF understands additional flexibility may be desirable and even beneficial for regional RA participants, it is nonetheless necessary to consider this flexibility in the context of neighboring programs.

To do so, the regional RA program should define key program elements related to penalties. The current proposal leaves these provisions undefined: the application of penalties to the annual submittal is "TBD";⁵ penalties "would likely apply" to the monthly submittal;⁶ and the scope of penalty application across binding and non-binding months is deferred to "a separate program determination."⁷ To date, the Sponsors have articulated a design philosophy centered on penalties that "align incentives, penalties and any backstop mechanisms with cost causation and waivers that address commercial feasibility,"⁸ and the design contemplates separating capacity and deliverability deficiency charges. However, the Sponsors should be mindful of the interaction of the regional RA Program with other RA programs in the region. If the proposed RA Program is not seen as having the same level of durability, it will be difficult to harmonize different extant RA programs from across the region into this effort. As noted above, other RA programs in existence in the West include provisions for significant penalties for non-compliance. This incentivizes participants in these other RA programs to contract with available capacity and could provide price signals for available generation in the proposed regional RA footprint to contract under these other RA programs. While EDF does not propose that the regional RA program be designed such that its penalties mirror those of neighboring RA programs, it must take them into account and consider design features that avoid sending a price signal to available capacity resources, particularly those capable of contracting with entities in one of multiple RA footprints, to contract with participants in other RA programs.

It is important to bear in mind that a deficiency charge effectively sets the ceiling on what a buyer will pay to avoid a shortfall and therefore impacts the value of RA capacity and the price available RA capacity may receive through a negotiated contract. If the proposed regional RA program's penalty is low, capped, unenforced, or undefined, or it does not establish alternative design features to incentivize sufficient RA capacity otherwise, while WRAP, California RA, and SPP's RTO carry firmer, quantified consequences, then scarce

Access Transmission Tariff, Attachment AA. Available here:

<https://spp.org/documents/58597/attachment%20aa%20tariff.pdf>

⁵ See Workshop 5, slide 9 – Compliance Submittals. Available here: https://rowesternenergy.org/wp-content/uploads/2026/05/Workshop-5_Final.pdf

⁶ Workshop 5, slide 9 – Compliance Submittals

⁷ Workshop 5, slide 10 – Binding Months

⁸ Principle 9. Workshop 2, slide 13. Available here: https://rowesternenergy.org/wp-content/uploads/2026/05/Workshop-2_Final.pdf

capacity would likely move toward the programs with firmer penalties and – potentially – higher prices for available capacity.

The timing of proposed penalty obligations under the regional RA program compounds our concern. The RA Sponsors have proposed that the binding compliance submittal be due roughly 60 days before the compliance month.⁹ To the extent neighboring programs' obligations bind earlier in the procurement calendar, suppliers will likely commit scarce capacity to those programs first. This dynamic could leave regional RA participants with a thinner pool of available capacity by the time their own obligations bind – and would do so in a future where market forecasts indicate that available RA eligible capacity will be scarce. This is a structural issue of the proposal; this timing disadvantage exists independent of the impact of the regional RA program's eventual penalties.

EDF therefore recommends that the Work Group evaluate and clearly define compliance mechanisms, most likely a firmer penalty structure, to incent RA capacity to contract within the regional RA footprint, taking into consideration extant RA program penalties elsewhere in the region. While there are still significant program details to work out, EDF believes this penalty structure should be established during the initial design phase. Alternatively, if the RA Sponsors think that is untenable, then there should be a clear process in place for establishing it alongside other program design considerations. As part of the design process, the RA Sponsors and Work Group should consider calibration of the deficiency charge to a replacement-cost reference, rather than a nominal administrative fee, and set it at a level that will incent RA capacity resources are contracted within the regional RA footprint, with firmness that scales appropriately as the program matures. Doing so can help keep the regional RA program from becoming the least-cost place to fall short in meeting RA obligations. Additionally, the regional RA program should consider the timing of applicable penalties to ensure the impacts of being the last RA program to require a compliance demonstration are appropriately mitigated.

EDF recognizes that this recommendation carries inherent tensions. The concerns around imposition of firm penalties are real and have been borne out in the WRAP experience: program participants found firm deficiency charge exposure difficult to accept amid supply chain, load growth, and weather driven challenges, contributing to a deferral of binding operations.¹⁰ EDF therefore supports a measured approach that considers the potential for penalties to reduce participation in the regional RA program against the importance of

⁹ Workshop 5, slide 9 – Compliance Submittals

¹⁰ See Western Power Pool, 190 FERC ¶ 61,043 (Jan. 24, 2025) (Docket No. ER22-2762) (accepting revised WRAP transition plan); see also Western Power Pool, *WRAP Committee Approves New Transition Plan, Looks to Summer 2027 Binding Program* (Aug. 29, 2024), <https://www.westernpowerpool.org/news/wrap-committee-approves-new-transition-plan-looks->.

calibrating penalties to levels that can be reasonably expected to ensure available capacity resources view contracting within the regional RA program as a competitive opportunity. To achieve this balance, we propose the RA sponsors consider adopting a phase-in of penalty firmness over time, waivers for genuine commercial infeasibility (already contemplated in Principle 9), and binding consequences generally concentrated in peak months. Doing so would demonstrate that the program is seriously accounting for the real-world implications – and potential reliability downsides – of being the only RA program in the west that lacks a meaningful penalty for shortfalls, especially in an environment that is anticipated to be capacity constrained.

Absent a meaningful penalty framework, the proposed program faces several compounding downsides: (1) deficiency is not sufficiently deterred; (2) capacity is economically incented to contract under other RA programs; (3) showings under-deliver and place pressure on out-of-market backstop action; (4) costs shift onto compliant participants and their customers; and (5) makes it very hard to link different RA programs in the west together to create a consistent product.

The Proposed RA Program Should Be Tightly Integrated with the ROWE's Day-Ahead and Real-Time Energy Markets

The Work Group's proposal recognizes the linkage between RA and the EDAM energy market in Principle 3,¹¹ but the only operational mechanism described in detail is the voluntary pre-Resource Sufficiency Evaluation (RSE) "operational window," with delivery effectively resting on the EDAM RSE.¹² At this stage, the program defines no forward performance or must-offer obligation on shown capacity. This is a considerable structural departure from California RA, and one EDF believes is ripe for refinement as the Work Group advances.

Without some form of a must-offer obligation, an RA showing is decoupled from energy delivery, negating its operational significance. Capacity is counted for forward resource showings, but those generation resources have no obligation to offer into the market when the region needs to rely on the energy they have to offer. That gap may leave the program unable to meet the reliability needs it is meant to address, and without closer coordination with the day-ahead and real-time markets, the regional RA program's reliability value is undercut.

¹¹ Principle 3 names "the relationship between RA capacity and day-ahead scheduling, utilizing market dispatch for delivery." See Workshop 2, slide 13. Available at https://rowesternenergy.org/wp-content/uploads/2026/05/Workshop-2_Final.pdf

¹² Workshop 5, slide 13 – Operationalization. Available at https://rowesternenergy.org/wp-content/uploads/2026/05/Workshop-5_Final.pdf

EDF therefore recommends that the program establish an explicit must-offer obligation on shown RA capacity, scoped to binding months, with clear linkage among (1) the RA showing, (2) the operational window, and (3) the RSE. EDF recommends that the program treat the current reliance on the RSE as a backstop as a gap to close in RA design, even as the RSE remains a valuable feature of the energy market.

Conclusion

EDF appreciates the work of the RA Sponsors, Work Group and stakeholders in developing a regional resource adequacy program and the open process that has shaped the initial design stages. EDF strongly supports the program and offers these comments as proposals to further strengthen its ability to support reliability, affordability, and environmental outcomes as the program continues to advance through the stakeholder process.

EDF respectfully urges the Work Group to: (1) advance the RA program as a durable ROWE service, preserving its voluntary, non-discriminatory design while strengthening the role of state representatives in its governance; (2) define and benchmark the penalty structure during the initial design phase, accounting for the penalty structure and associated incentives facing capacity resources in neighboring programs, so that the program does not distort which RA program capacity is contracted to serve across the West; and (3) establish a must-offer obligation for shown RA capacity, with clear linkage among the RA showing, the operational window, and the RSE.

EDF looks forward to continued participation in the workshop process and welcomes the opportunity to discuss these recommendations further.

Sincerely,

Alex DeGolia

Senior Director, Clean Electricity

Environmental Defense Fund

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**Comments on Behalf of the Cities of Anaheim, Azusa, Banning, Colton,
Pasadena, and Riverside, California on the
Regional Resource Adequacy Program Overview Document,
Consideration Design Documents, and Spring Workshops**

June 17, 2026

On behalf of the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California (the “Six Cities”), please find below comments on selected topics presented by the Resource Adequacy (“RA”) Sponsors on the Program Overview Document, Consideration Design Documents, and the Spring Workshops.

The Six Cities are municipally-owned electric utilities located within the CAISO balancing authority area (“BAA”). They are not subject to the regulatory oversight of the California Public Utility Commission (“CPUC”) with respect to resource adequacy, planning, and procurement. Rather, each of the Cities has its own local regulatory authority—*i.e.*, the City Council and/or public utility board—that has adopted and approved an RA program that is implemented by the City’s electric utility. As non-CPUC jurisdictional utilities, the Cities’ respective local regulatory authorities have the authority to establish planning reserve margins¹ and resource counting rules² applicable to each City’s RA program. As load-serving entities in the CAISO BAA, each of the Cities provides annual and monthly RA showings to the CAISO in accordance with requirements set forth in the CAISO Tariff³ and Business Practice Manuals and complies with other applicable requirements in the CAISO Tariff related to RA. Several of the Cities also own resources that are used to meet RA requirements and, thus, are also subject to requirements applicable to RA supply in the CAISO, such as the must-offer obligation⁴ and the RA Availability Incentive Mechanism.⁵

As an initial matter, the Six Cities are conceptually supportive of the RA Sponsors’ efforts to develop and implement a regional RA program that is compatible with their Day-Ahead market participation (or potential participation) and, in particular, ensuring that the RA program aligns with the Extended Day Ahead Market (“EDAM”).

¹ See CAISO Tariff, § 40.2.2.1(a) (“[t]he Scheduling Coordinator for a Non-CPUC Load Serving Entity must provide the CAISO with the Reserve Margin(s) adopted by the appropriate Local Regulatory Authority ... for use in the annual Resource Adequacy Plan and monthly Resource Adequacy Plans listed as a percentage of the Demand Forecasts developed in accordance with Section 40.2.2.3.”)

² See CAISO Tariff § 40.2.2.2 (“[t]he Scheduling Coordinator for a Non-CPUC Load Serving Entity must provide the CAISO with a description of the criteria adopted by the Local Regulatory Authority ... for determining qualifying resource types and the Qualifying Capacity from such resources and any modifications thereto ...”); *see also* 40.4.1. ([t]he CAISO shall use the criteria provided by the CPUC or Local Regulatory Authority to determine and verify, if necessary, the Qualifying Capacity of all Resource Adequacy Resources.”)

³ See *generally* CAISO Tariff § 40.2.2.4.

⁴ See CAISO Tariff at §§ 40.6.1 (Day-Ahead Availability) and 40.6.2 (Real-Time Availability).

⁵ See *generally* CAISO Tariff at § 40.9.

Additionally, the Six Cities support the RA Sponsors' commitment to an open and transparent stakeholder process.

The Six Cities' comments are limited to certain high-level principles that should inform further development of the RA program by the RA Sponsors and are appropriate to ensure that the RA program is compatible with EDAM and with the local regulatory authority-adopted RA programs as implemented within the CAISO BAA. As such, the Six Cities' comments are primarily focused on the topics addressed within the Program Overview Document where the Six Cities perceive implications for the EDAM or other market participants.

The RA Sponsors have identified foundational principle 2 as “[e]nhance reliability by ensuring that participating entities procure adequate, deliverable capacity capable of supporting both local and system needs.” Relatedly, foundational principle 3 states that the program should “[s]upport efficient EDAM market operations by clarifying forward obligations, performance expectations, and the relationship between RA capacity and day-ahead scheduling, utilizing market dispatch for delivery.” The Six Cities concur with these principles. It is critical that the RA program under development by the RA Sponsors consider interoperability with the EDAM market design, including, for example, with the EDAM Resource Sufficiency Evaluation and related market participation obligations. The RA program should also consider alignment with the obligations of resources supplying RA within the CAISO as it relates to market participation and performance obligations. It does not serve reliability in the West for resources to have different capacity and participation obligations under different RA programs within the same Day-Ahead Market. Finally, the Six Cities urge the RA Sponsors, as they develop program requirements and obligations, to ensure that there is no opportunity for “leaning” on the capacity provided to the EDAM by participants in other RA programs, such as those applicable in the CAISO BAA.

The Six Cities also support principle 4, which states that the RA Program should not “infringe upon or impede other regional RA programs.” As explained above, the Six Cities are subject to the regulatory oversight of their local regulatory authorities. The Six Cities agree that the RA Sponsors' program should not result in impacts to other RA programs.

As to foundational principle 6, which seeks to “minimize administrative burden and costs for participants without sacrificing reliability” and also relates to the Governance design elements discussed in the Program Overview document and the “Consideration Design Document: Governance,” the Six Cities encourage the RA Sponsors to consider addressing explicitly the principle of cost allocation for program administration and design as it relates to (1) the costs that will be (or may be) incurred by the ROWE for administrative and oversight activities for the RA program; and (2) the fees paid to the CAISO for its participation as the “Program Service Provider” (see Conceptual Design Document: Governance at 6) in managing and administering the RA program. The RA Sponsors should clarify that the costs of

performing these activities for program participants will be separately tracked and accounted for, and will not result in charges to market participants, such as load-serving entities within the CAISO, that are not participating in the RA Program. Such entities are already responsible for these costs within the CAISO BAA.

Relatedly, with the RA Sponsors' objective of having the ROWE and aspects of its governance structure apply to the RA Program, the Six Cities question how the resources of the ROWE and the CAISO will be allocated as between matters involving the administration of the RA program versus administration of the CAISO energy markets. For example, how will the ROWE determine what CAISO staff resources should be allocated as between the RA program (which applies to only a subset of market participants) and market administration and oversight (which applies to all market participants)? How will the ROWE stakeholder initiative prioritization process balance the needs of the RA program with broader market policy needs? Similarly, with the envisioned role of the Stakeholder Representatives Committee ("SRC"), the SRC will need to determine its level of involvement in matters related to the RA program versus other market issues. With respect to the Body of State Regulators ("BOSR"), the Six Cities' initially question the role of the BOSR as an advisory body for the RA Program, if the BOSR is composed of state regulatory commissions that may or may not regulate any of the entities participating in the RA Program. Having public power representatives included on the BOSR may address the concern with respect to non-state regulated RA program participants, but these representatives may not actually have any connection to the public power participants in the RA program. It may be preferable for the Regulatory Advisory Group (see Conceptual Design Document: Governance at 6) to function as a sub-committee of the BOSR and to be made up of BOSR representatives (or their delegates) that have jurisdictional oversight of the entities participating in the RA Program.

Submitted by:

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6/17/26

Regional Organization of Western Energy (ROWE)

Submitted to resourceadequacy@rowesternenergy.org

Re: Comments on EDAM Resource Adequacy Program Design

To Whom It May Concern:

American Clean Power - California¹ appreciates the opportunity to provide comments on the proposed Regional Organization of Western Energy (ROWE) Extended Day Ahead Market (EDAM) Resource Adequacy (RA) Program. The EDAM RA program will be an important step toward sustained electric system reliability in the west, and especially for the EDAM footprint. American Clean Power - California supports the development of a durable western RA framework and offers the following recommendations to strengthen governance, incentivize resource investment, enhance coordination with existing RA programs, and transparency.

I. EDAM RA governance should establish a clear and meaningful role for independent power producers

Independent power producers (IPPs) should have a central, influential role in EDAM RA program governance. The Program Overview identifies governance, metrics, modeling,

¹ American Clean Power – California (ACP-California) is the California state affiliate of American Clean Power Association. ACP-California represents companies developing, owning, operating, and purchasing utility-scale clean power resources in California and across the West, including solar, wind, storage, transmission, and other clean energy technologies.

transmission and capacity demonstration, compliance, resource performance and reporting as fundamental design elements. Each of these areas will materially affect resource owners and developers, not only load-serving entities and balancing authority areas.

The EDAM RA program should therefore avoid a governance structure that confers de facto “most favored stakeholder” status on utilities or buyers of RA capacity. A buyer-dominated design is unlikely to produce a durable and effective program. IPPs make many of the investment, development, contracting, and operational decisions that will directly influence the success of the EDAM RA program. They also bring unique expertise regarding project development timelines, interconnection and deliverability risk, emerging technologies, resource performance, outage risk, and the commercial realities of financing capacity resources.

The EDAM RA program should include IPP representation in the Technical Oversight Committee or an equivalent body with meaningful influence over accreditation, qualification, compliance, and performance rules. IPP participation should not be limited to general stakeholder comment opportunities. Instead, the EDAM RA program should create a formal advisory or voting role that reflects the extent to which resource owners will affect and be affected by program outcomes.

II. Resource accreditation should prioritize stability, predictability, and bankability

A durable accreditation framework is essential to the success of the EDAM RA Program. Accreditation values will influence procurement decisions, contract pricing, project financing, portfolio planning, and the types of resources that are developed to meet future reliability needs. The EDAM RA program should therefore prioritize stability, predictability, and bankability in designing and updating accreditation methods.

Frequent or unpredictable changes in accreditation methodology or results could undermine financing and contracting certainty. Where methodological updates are

necessary to reflect improved data or changing system conditions, they should be phased in in a manner that preserves investment confidence while improving reliability accuracy.

III. Balance complexity, costs, and certainty in establishing firm transmission requirements

The EDAM RA program should consider and balance the benefit of guaranteed resource deliverability (certainty) with the costs, friction and complexity of a program that requires acquisition of firm transmission rights from resources to individual loads. Given that EDAM already includes various transmission-based requirements² and all EDAM RA entities are expected to participate in EDAM, it may not be necessary for EDAM RA to impose additional stringent requirements that necessitate the vast majority of resources to be delivered to a specific load using firm transmission rights. Additional, stringent transmission requirements may impose barriers to resource participation, thereby increasing costs, while yielding minimal additional benefits in terms of ensuring deliverability between resources and load participating in the program, especially given EDAM's market optimization across the RA program footprint.

While the contemplated firm transmission requirements may be problematic, ACP-California recognizes that they are a substitute/proxy for deliverability assessments that are typically part of RA programs in fully integrated markets (e.g., CAISO). And we recognize that the RA Sponsors will need to develop some form of process to ensure RA resources can generally be expected to be deliverable to loads.

Thus, we urge the EDAM RA Sponsors to evaluate different options for demonstrating resource deliverability to the EDAM footprint outside the 75% firm transmission requirement that has been discussed so far. At a minimum, the program should define potential exemptions, substitutes, or alternative compliance pathways where strict firm

² For instance, in order to be eligible for EDAM's Resource Sufficiency Evaluation (RSE), transfers between BAAs must be supported by firm, conditional firm, or network integration transmission service across an EDAM internal intertie. And generators within EDAM Entities must possess transmission service or pay a fee.

transmission requirements may not be appropriate. But, we also urge the RA Sponsors to consider alternatives to a firm transmission requirement. For instance, ACP-California believes it would be beneficial for the RA Sponsors to – based on their knowledge of their own transmission systems and BAs – identify zones within their system where generation doesn’t face any major constraints in delivering to load. We would propose that, if the generation and load are in a “constraint free” area or zone, they would not face firm transmission requirements to be counted under the RA program. The RA Sponsors may also identify inter-BA transfers that are not overly constrained and do not require a firm transmission demonstration. With the appropriate constraints across the RA program footprint identified, the RA Sponsors would then only require firm transmission when an RA resource would need to cross an identified constraint to reach the load it is being shown to serve.

Additionally, the RA Sponsors may also want to explore – as a future enhancement to the program – whether a deliverability study/test could be used to study and allocate deliverability across the RA footprint (similar to the deliverability process used in CAISO³).

Whatever direction the deliverability requirements take for the EDAM RA program, we urge the program sponsors to look beyond the firm transmission-based requirements and to consider the ways that EDAM is changing the nature of transmission service within its footprint and altering the need for tariff-based firm transmission requirements to ensure resource adequacy within the EDAM footprint.

IV. The compliance structure should be binding enough to support reliability and workable enough to support participation

The Program Overview and “Considerations” documents describe a voluntary framework and discuss compliance but leave open questions about penalties and the binding nature of the program. The EDAM RA program should clarify the treatment of year-ahead showings

³ See for example: <https://www.caiso.com/library/transmission-capability-estimate-inputs-for-cpuc-integrated-resource-plan-aug-29-2024>

and explain how those showings will translate into binding compliance obligations. We're concerned that an insufficiently binding compliance structure without penalties for non-compliance could create reliability risks for EDAM. From an IPP perspective, we expect that uncontracted capacity in the west will be incentivized to participate in competing binding programs over non-binding programs given the value for RA in a binding program will likely be higher.

If the program includes must-offer obligations or resource performance requirements, the EDAM RA program should specify how those obligations will be structured, enforced, and coordinated with EDAM and other market rules.

V. The EDAM RA program should promote parity and harmonization with CAISO and CPUC resource adequacy frameworks

Although CAISO may not participate directly in the EDAM RA Program, all EDAM participants will benefit from a meaningful degree of harmonization between EDAM RA and the CAISO/CPUC RA frameworks. CAISO and the broader EDAM footprint rely on many of the same types of reliability resources, and both frameworks must interact with EDAM resource sufficiency and market operations. Resource obligations and capacity values should not diverge so sharply across the EDAM footprint that similarly situated entities face materially different treatment or such that bilateral contracting decisions are distorted by compliance arbitrage rather than an underlying reliability need and value.

Some resources may be contracted to serve both EDAM RA and CAISO obligations or may be partially committed to counterparties in each footprint. Significant divergence in accreditation methods, must-offer rules, compliance showings, or performance obligations would increase transaction costs and operational complexity. EDAM RA should therefore promote interoperability, especially with respect to binding obligations, accreditation methods, resource qualification, and treatment of shared or partially committed resources.

However, this harmonization should be a two-way street. EDAM RA need not reinvent program elements that are working well in the CPUC and CAISO RA frameworks. At the same time, a stable and functional EDAM RA Program layered onto a well-functioning EDAM could eventually support reconsideration of duplicative, overly strict, or misaligned requirements in existing frameworks. The objective should be to enhance competition (and thus affordability) and reliability without layering on unnecessary or punitive compliance obligations.

VI. Resource list transparency should improve planning while protecting commercially sensitive information

One desired benefit of the EDAM RA Program is greater transparency regarding how capacity resources are obligated inside and outside the EDAM and CAISO footprints. At a time of forecast regional resource adequacy deficiencies,⁴ we are optimistic that EDAM RA could provide more robust mid- and long-term data on resource contracting patterns, resource commitments, and capacity availability to improve assumptions used in individual integrated resource planning efforts across the EDAM footprint.

At the same time, transparency should not require disclosure of commercially sensitive contract terms or competitively sensitive information. The EDAM RA program should develop reporting practices that provide useful aggregated visibility into resource commitments, obligations, and potential double-counting risks while protecting confidential information. This balance will help regulators, planners, buyers, and resource owners understand regional resource adequacy conditions without undermining competitive procurement or bilateral contracting.

⁴ <https://feature.wecc.org/2025wara/index.html>

Conclusion

American Clean Power - California appreciates ROWE's work to develop a regional RA framework aligned with EDAM and the evolving Western market landscape. Thank you for the opportunity to provide these comments.

Respectfully submitted,

Molly Croll

Senior Policy Director

American Clean Power - California



June 17, 2026

To: RA Sponsors and Work Group
resourceadequacy@rowesternenergy.org

From: Renewable Northwest
Interwest Energy Alliance
Natural Resources Defense Council
Western Resource Advocates
NW Energy Coalition
Montana Environmental Information Center
Western Grid Group

Re: Comments of Joint Clean Energy and Environmental Parties on the Extended Day-Ahead Market Resource Adequacy Work Group Initial Draft Proposal

On behalf of Renewable Northwest ("RNW"), Interwest Energy alliance ("Interwest"), the Natural Resources Defense Council ("NRDC"), Western Resource Advocates ("WRA"), NW Energy Coalition ("NWE"), the Montana Environmental Information Center ("MEIC") and Western Grid Group (WGG), collectively, "Joint Clean Energy and Environmental Parties" or "Joint Parties",

please accept these comments on the Initial Draft Proposal for the formation of a Resource Adequacy (“RA”) program for the Extended Day-Ahead Market (“EDAM”), referred to hereafter as the “EDAM RA Program”. In these comments, Joint Parties offer a series of observations and recommendations intended to strengthen the program’s governance, functionality, and ultimately, its success. Specific responses to the Stakeholder Comment Template are included as Appendix A.

Joint Parties appreciate and support the efforts of the RA Sponsors and Working Group to establish an RA program for EDAM participants and appreciate the efforts of the Working Group in bringing forward these concepts for stakeholder consideration in the Spring workshops. Establishing a regional RA program is a critical action to improve regional reliability coordination, improve planning and procurement inputs, and mitigate the risk of “over-leaning” between utilities as competition rises for limited regional supply. We also support the intention for this program to be governed by the Regional Organization for Western Energy (“ROWE”) as proposed in the March 7, 2026 letter to the Western Energy Market Body of State Regulators¹.

Joint Parties have considerable experience and expertise in RA market design and participation as active market participants and stakeholders in existing RA programs in the west, including the RA program administered jointly by the California Independent System Operator (“CAISO”) and California Public Utilities Commission (“CPUC”), referred to hereafter as “California RA”, and the Western Resource Adequacy Program (“WRAP”) administered by the Western Power Pool (“WPP”). Joint Parties wish to acknowledge the leadership of both programs in designing solutions to the complex problems inherent in their charters, and draw on these experiences in offering recommendations for design of the EDAM RA program.

Joint Parties also have considerable experience and expertise in resource planning proceedings in the West as active participants in the Integrated Resource Plan (“IRP”) and procurement processes of many of the proposed EDAM RA participants. As discussed in these comments, while an RA structure will provide considerable benefits, the bulk of the actions necessary to successfully ensure reliability in western states must take place through IRP and procurement programs overseen by state commissions, and are implemented years before any RA compliance showings are required. In this vein, we offer a series of recommendations intended to better align the RA framework with these IRP structures in a manner that will provide participating utilities (and their regulators) with clear, actionable signals for reliability investments far enough in advance to implement effective solutions.

Joint Parties support the effort to establish an RA framework for EDAM participants as an important tool to address regional planning and reliability gaps. Establishing an RA framework will significantly augment the existing Western Energy Imbalance Market (“WEIM”) and EDAM structures through the establishment of formal, forward requirements to provide sufficient resources for these markets to operate reliably and efficiently. RA programs, while varied in their structures and design, play a critical policy function in all Independent System Operator (“ISO”) regions subject to the jurisdiction of the Federal Energy Regulatory Commission

¹ <https://EDAMsternenergy.org/wp-content/uploads/2026/04/BOSR-March-7-2026-Regional-RA-Letter.pdf>

(“FERC”). Joint Parties appreciate the proactive efforts of the Working Group to bring a proposal forward for consideration by regulators and stakeholders.

As discussed in these comments, the efficacy and benefits of the RA framework will be heavily dependent on the structure which is developed and the governance, oversight, and transparency of the program. The EDAM RA initiative, like the WRAP, will have unique characteristics and challenges as an RA framework is overlaid not on an ISO region but on a system which retains significant institutional constraints between participants, primarily related to transmission rights. These unique characteristics may result in significantly higher levels of friction than peer RA or capacity market constructs. In this spirit, we provide several design recommendations to the working group which may help alleviate this friction and improve program efficiency.

Joint Parties offer the following areas of feedback for the Working Group, articulated in the enumerated sections below:

- I. Joint Parties Recommend Further Deliberation on Key Design Features
- II. Resource Adequacy is a Common Good: All Parties Must Have Equal Standing In Program Design, Governance, and Oversight
- III. The Working Group Should Adopt Good Governance Standards as Principles to Guide the Development of Governance and by which to Evaluate Governance Proposals on the Pathway to the Adoption of a Formal Governance Structure by the ROWE Board
- IV. EDAM RA Policy Design Should Be Optimized for Long-Term Planning and Procurement with Emphasis on Stability and Predictability
- V. The Working Group Should Further Investigate Structural Designs to Mitigate the Risk of Significant Friction from Transmission Rights Requirements
- VI. Accreditation Should Align with Planning Frameworks and Facilitate Long-Term Investments
- VII. Year Ahead Compliance Requirements Should be Binding to Encourage Forward and Long-Term Procurement

These issues are discussed in further depth below. Additionally, these recommendations are mapped within the stakeholder feedback questions attached as Appendix A to these comments.

I. Joint Parties Recommend Further Deliberation on Key Design Features

The EDAM RA proposal appears to draw heavily in its key design elements from the WRAP, which itself was largely modeled on the longstanding California RA program, administered jointly by the CPUC and CAISO. Common design elements include a bilateral market structure, in which participants carry reliability requirements directly rather than through a central market, the establishment of monthly reliability requirements, and the use of monthly Effective Load Carrying Capability (“ELCC”) and Unforced Capacity (“UCAP”) for generator accreditation. In addition to these uniquely Western RA design elements, the program design incorporates other design elements in common use across the industry, including the use of a Loss of Load Expectation (“LOLE”) study to define requirements in the form of a Planning Reserve Margin

(“PRM”) applied to participant peak loads. Joint Parties generally support these high-level design features and look forward to further development of key details as the program moves forward.

While Joint Parties generally support the WRAP and California RA programs, each program offers insights and opportunities to further evolve the RA construct in support of a program best suited to the EDAM footprint.

In this spirit, Joint Parties identify several opportunities to further investigate design features that could result in a more robust and effective program better suited to the needs of western utilities within their existing regulatory structures, primarily the RA Program’s integration into long-term utility IRPs. These include recommendations to mitigate friction related to transmission rights and recommendations to align on stable and predictable accreditation methods for solar, wind, and storage resources.

Joint Parties recognize that there are tradeoffs between replication, which brings alignment between regions, and refinement, which may bring better functionality within the region. We do not intend to feign a perfect solution nor pretend that a perfect solution may be achievable. However, we believe that these issues and considerations are important to highlight and consider in this early phase before the program’s key design features have fully cemented, as the outcomes of this period of development are likely to guide years of RA program design within the program and procurement within parallel planning proceedings for many years to come.

II. Resource Adequacy is a Common Good: All Parties Must Have Equal Standing In Program Design, Governance, and Oversight

Reliability is a key public policy goal for the utility industry with material implications for market participants, customers, regulators, and other stakeholders. Accordingly, reliability policy is generally implemented through public policy structures in which all parties have equal standing in originating and debating policy concepts and design details that are arbitrated by policymakers. This is true not only in the context of RA programs (e.g. CAISO) and capacity markets (e.g. PJM, MISO, NYISO, ISO-NE, etc), but also of how reliability is implemented currently within utility commissions across the west.

Joint Parties are unaware of any comparable RA or capacity market framework which departs from this principle of equal standing, and see no merit in the proposal to adopt a participant-driven governance structure with no clear role for other sectors, let alone a co-equal one. Even the WRAP, which has drawn criticism as being too utility-driven, involves a cross-sector Program Review Committee (“PRC”) in the formation and review of all program and tariff changes.

Section 4.2.1 of the WRAP Tariff defines the PRC as “a sector-representative group” that “is responsible for receiving, considering, and proposing amendments to this Tariff and the Business Practice Manuals” and “shall serve as a clearinghouse of all recommended

amendments to this Tariff or the Business Practice Manuals” with limited exceptions. Section 4.2.2 requires the following participation in the PRC:

up to twenty representatives from the following ten sectors: four representatives of RAPC [Participants Committee] Participant investor-owned utilities; four representatives of RAPC Participant publicly owned (consumer or municipal) utilities; two representatives of RAPC Participant retail competition load serving entities; two representatives from RAPC Participant Federal Power Marketing Administrations; two representatives of independent power producers; two representatives of public interest organizations; one representative of retail consumer advocacy groups; one representative of industrial customer advocacy groups; one representative of load serving entities with loads in the WRAP that are represented by other LREs [Load-Responsible Entities] and are not otherwise eligible for any other sector; a representative from the COSR [Committee of State Representatives].

WRAP’s Governance Business Practice Manuals (“BPMs”) 301-304 reinforce the central role of the PRC in program development and the program’s openness to program changes originating from non-participants. BPM 301 explains:

The PRC is a multi-sector stakeholder committee charged with receiving, considering, and proposing design changes to the WRAP. The PRC will act as the clearinghouse for all recommended design changes not specifically identified as exigent by the Resource Adequacy Participant Committee (RAPC) ... Recommended changes may come from any stakeholder.

This language is substantively repeated and reinforced in BPM 302. Even BPM 303, which sets forth the process for expedited program changes on an accelerated timeline, contemplates “review by the COSR, PRC and other WRAP stakeholders” with the opportunity for comment to the Western Power Pool (“WPP”) Board.

By contrast, here the RA Sponsors have [proposed](#) a Technical Oversight Committee (“TOC”) to be “made up of program participants and serve as the primary body for technical policy governance, including key technical and policy decisions.” While Joint Parties appreciate the thought leadership that has been brought forward by utility parties, the rationale for an exclusive, first-among-equals status for utility participants has not been clearly articulated. Joint Parties strongly believe a material governance role for other sectors is imperative for the RA program to function within the Western energy ecosystem, to be consistent with ROWE’s governing documents, and to be just and reasonable under section 205 of the Federal Power Act.

The nebulous role the RA Sponsors have proposed for non-load serving entities is at odds with other governance structures for similar programs.

ISO-New England, for example, is subject to a stakeholder process through the New England Power Pool (NEPOOL). Program design work may originate in NEPOOL’s technical committees, but the body that votes on changes is the Participants Committee. The

Participants Committee has broad representation from multiple sectors, including states, consumer advocates, public interest organizations, and independent power producers. If ISO New England's board disagrees with a NEPOOL decision that achieved a 60% or greater share of the vote in the Participants Committee, the ISO must file the NEPOOL recommendation with FERC as an alternative to its own request. This structure allows the ISO's technical staff to work with NEPOOL's technical committees to achieve support from a broader set of stakeholders at the Participants Committee.

As to RA specifically, MISO has a Resource Adequacy Subcommittee (RASC) as part of the advisory committee that reports to MISO's board. The RASC includes a broad set of stakeholders – not just load-serving entities – as does the Advisory Committee itself.

In both these examples, it is a body comprising a cross-section of stakeholder groups – not just load-serving entities – that ultimately proposes, develops, and considers program changes.

ROWE, too, was developed with a more central role for stakeholders in mind. The ROWE bylaws describe the Stakeholder Representation Committee (SRC) as the advisory body for the ROWE board, and explains that the SRC's role is one of the core tenets that qualifies it as a 501(c)(3) organization. At minimum, the RA program structure should reflect the norms for other ISOs and RTOs and the ROWE's own structure, and include meaningful designated roles for state regulators, Independent Power Producers (IPPs), and Public Interest Organizations (PIOs) including separate representation for consumer advocates and PIOs with different or broader missions.

Representation for IPPs is important because IPPs are making major investment decisions that will affect reliability outcomes and the success of the EDAM RA program. IPP resources will be affected by the outcomes of the RA program by compliance requirements and operations. IPPs have unique expertise on project development, operational risk, emerging technologies, resource performance, and other key issues.

PIOs represent ratepayers and public interest goals such as affordability, equity, and decarbonization. Without representation from PIOs, there is the potential for reliability mechanisms and incentives to inadvertently create undue costs or market power. PIOs can also help ensure the RA program is aligned with state public policy goals and mandates.

Joint Parties envision a governance structure that reflects the collaborative needs of the Western grid. A mature RA program should establish an independent, multi-stakeholder board or Technical Oversight Committee where utilities, IPPs, PIOs, and state regulators all possess formal representation. This design fosters robust stakeholder engagement that ensures the long-term success of market rules, both in providing reliability and cost-saving benefits to participating utilities, and avoiding unintended consequences for ratepayers, suppliers, and communities.

Regulators should take steps to ensure that the RA initiative maintains independent oversight and stakeholder voting rights as foundational to an effective RA program. System reliability and RA compliance costs directly impact utility customers; the technical and policy-making authority

of an RA program should not be delegated to a body that represents the exclusive interests of utilities.

III. The Working Group Should Adopt Good Governance Standards as Principles to Guide the Development of Governance and by which to Evaluate Governance Proposals on the Pathway to the Adoption of a Formal Governance Structure by the ROWE Board

In parallel with establishing a robust governance framework for consideration by the ROWE, the Working Group should endorse good governance principles which will support durability and enhance trust among stakeholders. Joint Parties recommend the development of clearly stated principles to guide the development of governance for the RA Program and as commonly understood standards by which to evaluate proposals. These principles draw on similar principles proposed by Western Resource Advocates in the development of the ROWE and other organized markets.

Principle #1: Decision-making at all levels of the stakeholder process should be as transparent as possible.

Principle #2: Minority positions must be recognized and considered throughout the stakeholder process.

Principle #3: Board of Directors must be diverse and independent and should actively consider the concerns of its membership, while not being beholden to participants.

Principle #4: State utility commissions and others who represent the public interest should have a major role in design and-formation, and once formed, ongoing operations.

Principle #5: Governance structures should be adaptable and include decision-making processes that encourage the accommodation of new technologies that reduce customer costs.

Principle #6: Policies and resources that maximize transparency and support effective stakeholder participation, especially for stakeholders with limited resources, like PIOs.

Appendix B provides specific examples of how these principles translate into governance structures, which we provide for consideration as the governance design gets more detailed.

Second, we recommend applying transparency and inclusivity into the development process. We appreciate the thoughtful work done thus far by a small group of utilities that will be participating in the RA program, but recommend a shift in the stakeholder process. Up to this point, decisions on the design document are being made by the EDAM Resource Adequacy Work Group, described above. This includes, for example, which suggestions to include in the design proposed to the ROWE Board. Further, discussions leading to these decisions are also being made by the EDAM RA Work Group in closed meetings. At this juncture, we recommend broadening the membership of the group and making it a general rule to hold open meetings

with clearly and narrowly defined exceptions for closing meetings. This shift will enhance, among other things, the quality and durability of the program design.

IV. EDAM RA Policy Design Should Be Optimized for Long-Term Planning and Procurement with Emphasis on Stability and Predictability

EDAM RA has the potential to fill an important gap between long-term planning and procurement, commonly effectuated through participant utilities' IRP processes, and utility operations, which, for participants, are transitioning into organized, regional markets through EDAM. However, while the EDAM RA framework offers significant benefits, it must also be contextualized within its limits - and in the primacy of long-term planning and procurement in bringing the resources necessary for both RA and market operations forward well in advance of the forward showings.

At this early design stage, it is worthwhile to investigate the benefits and limitations of RA programs in other regions and interrogate how these conclusions impact both EDAM RA design and the role of EDAM RA in planning. On June 4-5, 2025, the Federal Energy Regulatory Commission (FERC) held a Commissioner-led workshop on RA, at which a key theme emerged: while an RA program supports and formalizes reliability requirements, without long-term planning and procurement, it is generally not sufficient on its own to drive utilities or the market to bring new resources forward to ensure reliability. The exacerbating effects of rapid change to the system or emerging gaps – both themes which are anticipated to be heavily present in coming years in the West – were discussed extensively in the context of the interplay between resource adequacy and integrated planning.

This logic and insight are consistent with longstanding planning principles for Western utilities, for which Commissions establish and oversee planning and hedging structures that encourage utilities to source and supply resources on a long-term basis well in advance of the operational horizon. While the establishment of a formal RA structure can improve and daylight regional reliability issues, it is not likely to result in a pool of excess capacity from which utilities can draw on a short-term basis without forward commitments. In sum, neither utilities nor Commissioners should conflate the establishment of an RA framework with an obviation of the need to engage seriously with reliability in forward planning.

There are two significant factors which further emphasize the importance of forward planning by individual load-serving entities, rather than the RA program, in achieving reliability. First, the EDAM RA program, like WRAP and CAISO, will be more complex than comparable Eastern RA programs due to the bilateral structure of Western markets and the establishment of more granular monthly requirements, rather than annual or seasonal requirements. Second, like WRAP, the EDAM RA program will be further complicated by transmission rights allocation issues, which are not characteristically present in RA programs or capacity markets in ISO regions.

This dimensional complexity is a significant departure from other RA structures and merits special consideration in program design. This is particularly acute given the historic level of load growth and increased weather and demand variability expected in the period in which the program will be implemented. Those factors are leading to associated challenges utilities may have in achieving compliance through “optimization” which is constrained by any friction which may exist within the program.

The primacy of long-term planning for EDAM RA participants emphasizes the value of program design elements which can be neatly aligned with long-term resource planning and procurement approaches. These include emphasis accreditation methods such as ELCC, which assess portfolio-level contributions, and forward analysis that provide durable requirements (e.g. Planning Reserve Margins) and accreditation that can be effectively integrated into forward planning and procurement. These are discussed further in the subsequent sections.

V. The Working Group Should Further Investigate Structural Designs to Mitigate the Risk of Significant Friction from Transmission Rights Requirements

Joint Parties encourage stakeholders to spend some time and consideration on the impacts of transmission rights requirements in this early design phase and to consider opportunities to reduce complexity. To contextualize the impacts of the transmission rights overlay, we review the layers of complexity anticipated in the EDAM RA program relative to other programs, reviewing the impact of bilateral markets, the impact of transmission rights.

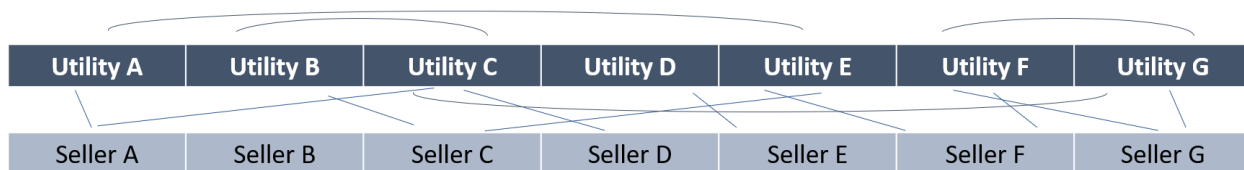
First, we consider an archetypal eastern capacity market, in which all capacity is cleared through a centralized market. In this structure, there is a single clearing market into which all capacity is sold. While there are many dimensions of complexity not pictured here, such as resource accreditation or zonal constraints, the market structure provides for fairly low transactional friction for resources to participate in the market. While transmission constraints may exist, they are addressed through procurement requirements (e.g. zonal requirements) rather than through transmission rights.



Market Structure A: Eastern ISO Capacity Market (e.g. PJM)

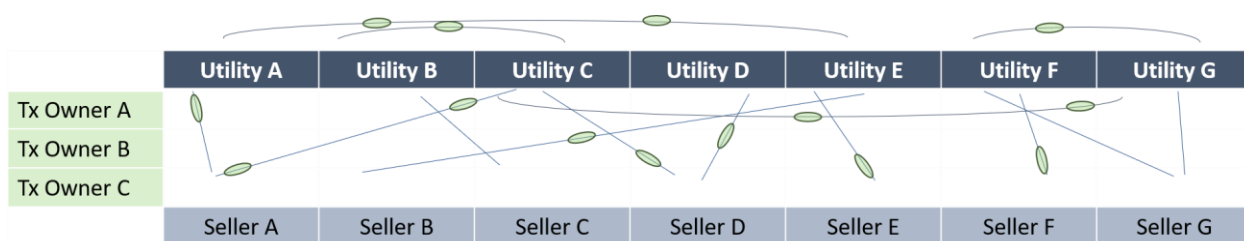
Second, we consider a bilateral RA market, like the market which stems from the RA program administered by the CAISO. In this construct, many buyers and sellers interact to transact resources bilaterally without the aid of a centralized market. In the CAISO structure, buyers are not responsible for transmission rights except for resources which are external to the CAISO, as resource deliverability is assessed during the development process. While transmission

constraints may exist, they are addressed through procurement requirements (e.g. “Local RA”) rather than through transmission rights.



Market Structure B: Bilateral RA Market (e.g. CAISO)

Third, we consider a bilateral RA market in a non-ISO region, like the bilateral market which stems from the WRAP, and the bilateral market structure which is proposed as the initial backdrop for the EDAM RA program. This structure builds on the dimensional complexity of the bilateral RA market through the expanded requirement that transactions between Balancing Authorities be accompanied with transmission rights. This constraint is designed to address the lack of integrated transmission rights across the non-ISO WRAP footprint.



Market Structure C: Bilateral RA Market With Transmission Rights (e.g. WRAP)

It is generally viewed that WRAP’s transmission constraint will significantly exacerbate the challenge of transacting resources between participants, establishing a firm barrier to the potential benefits and savings which could accrue from a more liquid system. Beyond the challenges for short-run transactions, the overlaid complexity of long-term transmission rights - even for routes which are perceived to have available capacity - significantly reduces the prospects for WRAP participants to enter into long-term agreements for resources which must traverse another participant’s service area.

Joint Parties recognize that addressing transmission within the EDAM RA construct is a significant and complex challenge - and one that should motivate stakeholders to pursue more full integration into a Western ISO as soon as possible. However, in the interim, Joint Parties encourage the Working Group and stakeholders to further deliberate pathways to reduce the impacts of the transmission rights requirement. Joint Parties are interested in ideas which have been discussed at workshops to mitigate impacts, including limiting requirements to specific paths which have been identified as constrained or establishing zonal requirements to resolve reliability requirements without requiring buyers and sellers to procure illiquid transmission rights. Joint Parties encourage the Working Group and stakeholders to consider whether an incremental layer of transmission rights for RA showings is necessary or additive to the

constructs which have been developed to support transmission rights and congestion revenue within EDAM.

As stated above, transmission rights requirements are unique to the WRAP and EDAM RA proposal, and are expected to have significant impacts on the liquidity of the bilateral markets in both programs. We strongly encourage further deliberation on this issue in this early design phase.

VI. Accreditation Should Align with Planning Frameworks and Facilitate Long-Term Investments

Resource accreditation is complex and imperfect. It is not clear that any method is a universal best practice, and the concept of “best” may vary considerably based on the use case. Joint Parties recommend establishing accreditation methods which prioritize stability, predictability, and bankability, supporting long-term planning and utility investments in a stable compliance landscape.

For example, while utility IRPs commonly utilize a “vintaged marginal” ELCC structure to identify optimal resource investments within a planning model or within a solicitation, establishing resource vintages is complex and problematic when used to value a portfolio of resources. A non-vintaged marginal structure, as recently implemented in NYISO and PJM, is notoriously fickle, shifting rapidly as modeling inputs or system conditions change, leaving it poorly aligned with the long-term portfolio and compliance mechanics of vertical utilities.

A durable accreditation framework is important for resource planning, procurement decisions, and long-term investment signals. Frequent or unpredictable shifts in accreditation methodology or results could undermine financing and contracting certainty. Notably, when considering a long-term accreditation framework for the CPUC’s Integrated Resource Plan, which is expected to drive long-term investment requirement for the majority of California’s energy system, a wide range of utilities, generators, and other stakeholders strongly opposed the use of a marginal ELCC approach, while emphasizing the importance of stability and durability in accreditation design².

Joint Parties recommend the EDAM RA framework utilize a seasonal average ELCC approach, directionally aligning accreditation with similar methods in the WRAP and in the CAISO default RA rules. It is worth noting that California’s regulatory landscape features a dual structure; the CPUC establishes compliance-driven counting rules for its jurisdictional LSEs and CAISO maintains its own distinct default counting rules for non-CPUC LRAs and to guide its backstop capacity procurement. Anchoring RA to seasonal average ELCC methodology would provide a predictable regulatory framework that aligns with RA procurement incentives for participating

² See party comments on CPUC RCPMP Proposal ([ACP-CA](#) pp. 11-18; [PG&E](#) pp. 12-13; [CalPA](#) pp. 25-27)

utilities. Establishing this long-term stability and predictability is key to program success as measured by the participation and retention of utilities and resource suppliers.

Joint Parties further recommend that the RA Sponsors and Work Group work with stakeholders on accreditation for additional resource types. One example is interregional transmission. At a minimum, the EDAM RA program should determine a method for reflecting the benefits of interregional transmission to regional RA. Resource accreditation may be the best way to accomplish this outcome. Some of the Joint Parties have made a proposal that WRAP assign a Qualifying Capacity Contribution value to interregional transmission; the proposal received a high priority at the WRAP Program Review Committee and has been incorporated into WRAP's Board-approved 2026-27 Work Plan. This item is particularly timely as some of the RA Sponsors have demonstrated interest in the North Plains Connector, which is unlikely to have discrete generating resources on the other side but is likely to contribute significantly to resource diversity and thereby support RA.

VII. Year Ahead Compliance Requirements Should be Binding to Encourage Forward and Long-Term Procurement

Joint Parties support efforts to ensure participants have an extended view into compliance requirements and also support design elements, discussed above, to better integrate RA requirements into utility IRPs and other planning proceedings. As discussed above, Joint Parties anticipate relatively limited liquidity in the near-term due to both supply constraints and the transmission rights barriers discussed above. As such, Joint Parties recommend establishing the year ahead period as binding to discourage participants from deferring necessary procurement into the showing year. Designing appropriate penalties to sufficiently incentivize timely procurement without driving utilities with resource deficiencies out of the program will be a challenge that Joint Parties look forward to working on with the RA Sponsors, Work Group, and other stakeholders.

Joint Parties appreciate the opportunity to provide feedback to the RA Sponsors and Working Group and look forward to continued collaboration on this initiative moving forward.

Sincerely,

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Appendix A – Responses to Stakeholder Questions:

A. Program Overview Document

1. Foundational Principles: are there any foundational principles missing or any adjustments needed that should be considered for incorporation into the Initial Draft Proposal?

Joint Parties recommend one additional principle and one modified principle from the four Guiding Design Principles included in the [RIF presentation](#) (p. 93). First, as discussed in Section II, the RA program principles should enshrine its status as a common policy objective for which all market participants and stakeholders share equal stature in its design and governance. Second, as discussed in Section IV, Principle 1 should be modified to “Leverage transmission connectivity of the EDAM to enable capacity savings for customers **by reducing transmission barriers within the integrated footprint.**” This modification would formalize the intent to reduce friction and improve transactability within the program through the elimination of institutional transmission barriers.

Separately, Joint Parties recommend the adoption of Good Governance Standards as articulated in Section III.

2. Are there any Key Design Elements missing that should be added into the Initial Draft Proposal?

3. Are there any other additional foundational questions that should be explored when drafting the Initial Draft Proposal?

As discussed in Section IV, V, and VI, Joint Parties recommend further examination of pathways to reduce friction and improve transactability in the program. These could include design features to reduce transmission barriers and ensuring resource accreditation provides for predictable, stable valuation for participants.

4. Please provide any additional feedback you would like to share regarding the Program Overview Document.

B. Consideration Design Documents

5. For Consideration Design Document #1 (Governance): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

As discussed in Section II, Joint Parties strongly object to the layered structure proposed that would enshrine an unequal status to utility participants relative to other market participants or stakeholders.

6. For Consideration Design Document #2 (RA Modelling & Metrics/Resource Qualification (incl. Contracts)/Resource Performance Requirements): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

Joint Parties generally support the concepts and structures proposed in [RA Modeling and Metrics](#) and look forward to further discussions on the finer details of these proposals. RA programs are highly complex and fine details and policy choices can have material implications for market participants, ratepayers, and reliability outcomes.

As discussed in Section VI, EDAM RA should use average ELCC for wind, solar, and battery storage accreditation. This approach will better intersect with participant IRP methods and will provide more predictability and stability over time, including to the PRM.

As discussed at the stakeholder workshop, Joint Parties have several areas of feedback for the Working Group:

- **Planning Reserve Margin:** We support the general approach to define a PRM through the use of an LOLE study.
- **Area Modeling:** While we support area modeling to determine a PRM, there are significant and well-established transmission bottlenecks between regions which merit further analysis and consideration as the program moves forward. Understanding these regional constraints can be useful in designing solutions which achieve reliability without overly constraining transactability. Local and zonal RA constructs, which could replace transmission rights requirements, could be useful outcomes of a more granular reliability analysis.
- **Generator Modeling:** We recommend the development of a more robust inputs and assumptions document and data release which can support more robust review and feedback on these issues, which will have important implications for both participants and generators. Joint Parties refer working group participants to the CPUC Strategic Energy Risk Modeling (“ERM”) database and methodology, which includes over twenty years of weather-correlated generator data for a variety of western regions³.
- **External Capacity:** Joint Parties are unclear on the role of external capacity within the analytical model. Joint Parties support modeling resources which are contracted to

³ See, e.g., CPUC 2024-2026 IRP Inputs & Assumptions ([2025 inputs and assumptions report 20260210.pdf](#)) and CPUC System Reliability Modeling Datasets 2026, available at <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/electric-power-procurement/energy-modeling/servm-inputs-2026>

participants, including both generation and interregional transmission, but do not see a clear role for modeling uncontracted external capacity.

- **LOLE Study:** LOLE study methodology is complex and raises a range of important issues. As part of the more detailed inputs and assumptions document proposed above, the Working Group should provide a more detailed framework for LOLE study design which can be reviewed and commented on by parties.

7. For Consideration Design Document #3 (Compliance Submittal Requirements/Load Forecasting/Transmission): provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations Providing as much detail as possible is appreciated.

As discussed in Section IV, transmission rights requirements are highly unusual within an RA construct and significantly elevate transactional burdens within the program. As such, Joint Parties recommend serious consideration of alternative approaches, such as zonal requirements, which would eliminate the need for transmission rights, or limited requirements for specific constrained paths.

8. For Consideration Design Document #4 (Compliance Structure (incl. penalties)/Reporting & Transparency): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

C. Spring Workshops

9. What aspects of the spring workshops were helpful? What suggestions should we consider to structure the summer workshops differently to better present material and foster open dialogue?

Joint Parties appreciated the professional yet accessible nature of the workshops and recognize the challenges inherent in presenting novel concepts to large, diverse groups. While the spring workshops hit an appropriate level of detail as initial concepts were introduced, Joint Parties recommend allocating additional time for policy discussion, feedback, and stakeholder proposals as the effort moves deeper into detailed policy design.

D. Other

10. Please use this section to provide any additional feedback not covered in the sections above.

Joint Parties appreciate the proactive efforts of utility stakeholders in bringing this proposal forward and look forward to collaborating with utilities, regulators, and other stakeholders on a functional RA framework for the emerging EDAM footprint.

Appendix B - Good Governance Principles for Organized Wholesale Energy Markets, Developed by Western Resource Advocates

Good Governance Principles for Organized Wholesale Energy Markets⁴ PIO Perspective

I. Why Does Good Governance Matter?

Organized Wholesale Energy Markets (“market”) have important responsibilities of interest to regulators, public interest organizations (PIOs) and customers:

- a. Ensuring the reliability of the bulk power grid within its footprint
- b. Facilitating the efficient use of transmission to economically optimize the generation of its members and reduce the costs to the customers they serve
- c. Effectively managing the wholesale electric power market within its footprint, including the provision of effective market monitoring to prevent market manipulation and improve market efficiency

II. Who Represents the Public Interest?

The public interest is typically represented by nonprofits (e.g., environmental and grid reliability), state consumer advocates and state regulators, i.e., state public utility commissioners.

PIOs play an important role and bring value to the stakeholder process and ultimately to the decisions made.

- **Education.** PIOs have valuable expertise, for example, in new and developing technologies and state clean energy laws, including GHG accounting
- **Diverse Perspective.** PIOs represent larger public interests such as long-term grid reliability, environmental impacts and the interests of non-participants such as rate payers. Many PIOs are regional.

III. At all Levels, Market Governance Should be Transparent, Diverse and Include Meaningful and Effective Stakeholder Processes.

The market stakeholder process is intended to provide input, at varying levels of influence, to enable changes to the market’s governance documents: Open Access Transmission Tariff (OATT) and Operating Agreements or Bylaws.

⁴ This includes full RTOs, Energy Imbalance Markets (EIM) and day-ahead markets. RTO is used generically here to include RTOs, Independent System Operators (ISO) and Power Pools (e.g., Southwest Power Pool).

Tensions can arise ensuring that organized wholesale energy markets are responsive to participants and also adequately consider the larger public interests, such as, long-term grid reliability, environmental impacts, and economic interests of non-participants.

IV. How Does This Translate into Governance Structures and Processes?

Principle #1: Decision-making at all levels of the stakeholder process should be as transparent as possible.

- Whenever possible meetings must be open to the public.
- Executive sessions (closed meetings) should be used sparingly. At a minimum, there should be an explicit standard for closing meetings, e.g., personnel matters, considering legal advice on a matter still under discussion, to deliberate emergencies. All meeting notice requirements should apply and agendas and summaries made public for executive sessions.
- All voting should be on the record. Board members, committees and other organizational entities should be accountable for their decisions.

Principle #2: Minority positions must be recognized and considered throughout the stakeholder process.

- In instances where members are not in total agreement, minority positions must be fairly considered and addressed throughout the stakeholder process and most importantly, communicated to all Boards with oversight authority at the same time as majority positions.
 - Nonparticipants should have meaningful voice in the stakeholder process; for example, PIOs should be full members of committees and working groups with voting rights and the right to appeal decisions at all levels, and especially to all Boards with oversight authority.
 - There should be no barriers to membership if access is attached to membership, such as committee voting, appealing decisions and participating in closed meetings. Barriers to membership can be explicit or implicit. Examples of implicit barriers include annual dues, withdrawal deposits or withdrawal fees that are too high for many small organizations and PIOs.
 - In a formalized structure with voting, ensure that any consolidation of votes and reporting mechanisms do not diminish opportunities for input by smaller market participants and other stakeholders. Individual votes should be weighted equally and reported to all Boards with oversight authority.
-
- **Principle #3: Board of Directors must be diverse and independent and should actively consider the concerns of its membership, while not being beholden to market participants.**

- Board of Directors qualifications and search criteria should include diversity, for example, in qualifications, geography, gender and race. Consider adding experience in public interest organizations and emerging technologies to other professional experience that is prioritized.
- Include diverse perspectives in the selection process by, for example, using a nominating committee that includes diverse sector representation to nominate candidates.
- Final approval of Board members nominated by a stakeholder committee should rest with an independent body.
- Limit the use of consent agendas at Board meetings to allow a more robust dialogue between Board members, participants and nonparticipant stakeholders at Board meetings.
- The Board member removal and nomination processes should not undermine the Board's independence. Avoid processes that allow market participants to circumvent the sector nomination process or, if members have a role in removal, have appropriate, well-defined standards and checks and balances on their role.

Principle #4: State utility commissions and others who represent the public interest should have a major role in market formation and once formed, the market's ongoing operations.

- Markets should have a regional states committee (RSC) that includes regulators from all participating states. The RSC should have sufficient authority to protect and represent states' rights including 205 filing rights with the FERC when appropriate.
- Prior to joining an RTO, Western state utility commissions should be provided the opportunity to engage with the organization's RSC. Consider liaison positions on the RSC or a temporary committee that combines members of both.
- Consider, at a minimum, liaison positions for PIOs and Consumer Advocates on the RSC. Further, technical and financial support for Consumer Advocates will enhance their ability to participate meaningfully on behalf of consumers.
- The RSC should have meaningful access to all Boards with oversight authority especially in any dispute resolution process.
- The market organization should have strong expectations that center the public interest and customer benefits. These expectations should be explicit, for example, expressed in governing documents like bylaws or through the choice of federal tax exemption status.

Principle #5: Governance structures should be adaptable and include decision-making processes that encourage the accommodation of new technologies that reduce customer costs.

- Board selection criteria should reflect a priority for expertise in new technologies and public interest representation and Board term limits will refresh the Board on a regular basis.
- Formal structures that include voting can introduce obstacles to accommodating state policies and new technologies. Voting structures should be designed carefully so that they do not become tools used by incumbent industries to block progress. For example,

sector consolidation and weighted voting can bestow dominance to a minority of market participants. Individual votes should be weighted equally and reported to all Boards with oversight authority. Further, advisory votes provide important information to boards without impeding progress.

- Policy development should not be completely staff driven nor completely participant driven. The right mix reduces the burden on participants while realizing stakeholder values.

Principle #6: Policies and resources that maximize transparency and support effective stakeholder participation, especially for stakeholders with limited resources, like PIOs.

- There should be explicit procedures and policies that assist and encourage intelligent stakeholder engagement. For example:
 - Posting meeting notices and materials (including agendas) at least five days prior meetings;
 - Post more extensive detailed materials, such as straw, draft, or final proposals, at least 10 business days in advance of a meeting.
 - Providing a sufficient period of time to develop comments on work products;
 - Providing virtual access to all meeting;
 - Recording all meetings and providing access to the recordings on a public website;
 - Maintaining a well-organized and easy to use website; and
 - Providing a user-friendly application to submit and review stakeholder comments.
- There should be a culture that values these policies evidenced by the allocation of sufficient resources to implement them and adherence to them.
- This principle is especially important for decision-making processes that are more participant driven and put greater strain on PIOs, smaller market participants and others.

June 17, 2026

Submitted to: resourceadequacy@rowesternenergy.com

Comments of Idaho Power Company on the EDAM RA Program Overview Document, Consideration Design Documents, and Spring Workshops

Idaho Power appreciates the opportunity to comment on the EDAM Resource Adequacy (RA) Program Overview Document, the Consideration Design Documents, and the associated workshops held in May 2026. Idaho Power acknowledges and appreciates the time and effort put in by the RA Sponsors and Workgroup in developing the materials and providing the workshops, and the time and effort of stakeholders in participating and providing input.

Background on Idaho Power

Idaho Power is a vertically-integrated investor-owned utility serving more than 660,000 retail customers in Southern Idaho and Eastern Oregon. Idaho Power actively participates in the Western Resource Adequacy Program, and supports regional RA efforts. While no final decision has been made, Idaho Power has indicated a preference toward participation in EDAM.

Idaho Power Company Comments

I. Overarching Comments and Program Overview Document

A well-designed regional RA program offers a strong value proposition by establishing common capacity counting standards and shared reliability goals, thereby improving transparency and consistency across participants. By aligning methodologies and expectations, the program can reduce uncertainty and enhance confidence in system adequacy.

To fully realize these benefits, the program must include clear, enforceable requirements ensuring that all accredited MW are verifiable and deliverable on firm transmission. The framework should provide assurance that capacity is counted once—and only once—across the region, with sufficient controls to prevent double counting and unsupported claims of availability.

A regional framework enables participants to leverage the diversity of loads, resources, and weather patterns across a broader footprint, reducing overall system uncertainty and supporting lower planning reserve margins relative to standalone approaches. This can translate into more efficient capacity procurement and lower costs for customers while maintaining reliability.

Achieving these outcomes requires robust capacity accreditation, firm transmission deliverability standards, and strong accountability mechanisms to ensure that committed MW can be delivered where and when needed. Clear tracking of capacity positions and associated transmission rights is essential to confirm that each participant's contribution is real, measurable, and not overstated.

Idaho Power supports the guiding principles identified in the Program Overview Document, including establishing a common and transparent capacity counting standard with appropriate incentives for adherence; ensuring procurement of adequate, deliverable capacity to support both local and system reliability; clarifying forward obligations and performance expectations to support efficient EDAM market operations; preserving the integrity of other regional RA programs; leveraging transmission connectivity to enable customer benefits; minimizing administrative burden while maintaining reliability; maintaining a voluntary program structure; ensuring comparable treatment across similarly situated participants; and aligning incentives, penalties, and backstop mechanisms with cost causation and commercial feasibility.

Accountability, capacity adequacy—including accurate counting and accreditation—and deliverability, along with voluntary participation, are critical to the program's success. How these elements are defined and implemented will ultimately determine whether the program achieves meaningful regional resource adequacy and sustains participant confidence in the integrity of the framework.

II. Governance Consideration Design Document

The general governance framework described in the Governance Consideration Design Document appears reasonable.

The concept of a Technical Oversight Committee ("TOC") to oversee key technical and policy issues, and made up of program participants, is critical. The load-serving entities who are program participants carry all the obligations in an RA program, including potential resource procurement and accountability responsibilities, and ultimately are governed by their own boards and regulatory bodies. Because participants solely own these responsibilities and must justify their decisions and participation in the program, they must have a commensurate ability to drive program design on both technical and policy issues. Load serving entities that have voluntarily chosen to commit to the program – and be obligated by its rules – should have a direct and proportionate ability to influence and advise on those rules. For the same reasons, participation in the program must be voluntary.

The TOC should be made up of program participants that have voluntarily chosen to take on compliance obligations via the program. Idaho Power supports a formal voting construct for the TOC, with the House/Senate voting model providing a robust and fair structure to ensure all

entities have a voice. Idaho Power also supports the advisory role of the Body of State Regulators (“BOSR”).

Idaho Power supports the Consideration Design Document’s description of the role of the Stakeholder Review Committee (“SRC”) in providing support and feedback on issues to the TOC, with the TOC having independent and at least equal authority to make recommendations on RA program issues. A shift from the general ROWE stakeholder process is necessary because the RA program has a specific and direct impact on its load-serving participants, rather than stakeholders generally. The TOC concept appropriately recognizes the commitment of and impact on participants, while the continued involvement of the SRC preserves stakeholder engagement.

III. RA Modeling & Metrics/Resource Qualification Consideration Design Document

Idaho Power supports the modeling and metrics concepts described in the Consideration Design Document. The proposed RA modeling framework provides a strong and necessary foundation for a transparent, consistent, and analytically robust resource adequacy program. The use of standardized assumptions, including a probabilistic LOLE methodology and a clearly defined 1-in-10 reliability target, appropriately aligns with industry practices and ensures comparability of results across participants. Equally important, the consistent application of metrics such as PRM, UCAP, EFORd, and ELCC strengthens confidence that accredited capacity reflects actual performance during system stress conditions. Idaho Power acknowledges there may be stakeholder interest in exploring alternative modeling frameworks, other than PRMs. Idaho Power believes the key is in ensuring that the data and analysis that underlie the PRM and ELCC calculations are robust and solid.

The program must ensure clear attribution of MW to specific resources, rigorous validation of transmission deliverability (as discussed further below), and safeguards against double counting. Where energy contracts, such as WSPP Schedule C arrangements, are allowed to contribute to capacity demonstrations, there must be clear safeguards to confirm that the underlying capacity is not being counted toward multiple obligations. Additional validations, transparency, verification, or attestation will be necessary to preserve the integrity of the program and avoid overstating available resources.

IV. Compliance Submittal Requirements/Load Forecasting/Transmission Consideration Design Document

Idaho Power has no objection to the proposed compliance submittal timelines, including the balance between annual informational filings and binding monthly demonstrations, which appropriately support both forward planning and near-term reliability. Idaho Power also has no concerns with the proposed load forecasting framework, which provides a reasonable and transparent basis for determining capacity obligations.

Deliverability and transmission adequacy are critical. Generation capacity that cannot reliably be delivered provides little to no value in meeting system reliability objectives. Resource adequacy requirements must ensure that transmission capability is sufficiently firm and aligned with the timing of compliance demonstrations. A 75% firm transmission requirement at the time of the Forward Showing is a reasonable baseline, especially considering the Forward Showing is proposed to occur only two to three months before the first operating month. This timeline provides flexibility for participants to consider long-term and short-term firm transmission products. Idaho Power also supports limited and narrowly-defined exceptions for certain scenarios where the participant has attempted but been unable to obtain adequate firm transmission.

V. Compliance Structure/Reporting & Transparency Consideration Design Document

An effective compliance structure must include clear and credible accountability mechanisms to ensure that resource adequacy requirements translate into real reliability outcomes. While the proposal appropriately emphasizes forward visibility and flexibility, it will be important to establish incentives for performance or consequences for non-performance such that participants remain responsible for meeting their obligations under all system conditions. Participants should be incentivized to explore all options for curing deficiencies; strong individual accountability is essential to maintaining system reliability. Similarly, each individual load-serving entity who voluntarily elects to participate must meet its own requirements or be responsible for the applicable accountability mechanisms. Participation is voluntary, and it is inappropriate to transfer obligations or costs from one voluntarily-participating entity to another.

Idaho Power generally supports the framework's use of staged compliance showings and is open to annual, seasonal, or monthly constructs, provided that the structure balances planning certainty with evolving system conditions. The proposed combination of non-binding forward showings and binding demonstrations closer to operations is a reasonable foundation, but the effectiveness of this approach will ultimately depend on the strength of the associated compliance and enforcement provisions.

The emphasis on market-based solutions and bilateral transactions is appropriate, and curated bilateral trading opportunities could be considered as a supplemental tool to facilitate compliance. However, such mechanisms should be approached with caution to avoid unintended consequences, and should not be an obligation nor a central program feature. Participants should be incentivized to cure deficiencies through any available means, including bilateral market activity with participants or non-participants, rather than relying on structured or administratively facilitated solutions. The program should prioritize flexibility while

maintaining clear expectations that each participant is responsible for securing sufficient resources and transmission to meet its obligations.

VI. Workshop Suggestions

Idaho Power appreciates the significant effort of the RA sponsors and workgroups in developing these materials and advancing the conversation on a regional resource adequacy framework. We also value the constructive engagement of stakeholders throughout this process. Ultimately, the success of a program will depend on whether it is feasible and beneficial for load-serving entity participants and their customers. Continued transparency and development of more detailed proposals in future workshops will be important to enable potential participants and other stakeholders to provide focused, meaningful, and informed input.

VII. Final Comments

Idaho Power recognizes the value of a regional RA program in establishing common capacity counting standards, shared reliability goals, and leveraging load and resource diversity to improve efficiency and lower costs. At the same time, Idaho Power emphasizes that achieving these benefits depends on strong accountability mechanisms, clear requirements for capacity accreditation, counting and deliverability (including transmission), and broad, voluntary participation with confidence that all participants will meet their obligations.

Idaho Power generally supports the proposed guiding principles, governance framework, modeling approach, and compliance structure, including staged compliance showings that balance forward planning with near-term accountability. The company highlights the importance of participant-driven governance through the Technical Oversight Committee, robust and consistent modeling practices, and safeguards to prevent double counting of capacity. Idaho Power also underscores that transmission adequacy must be a central component of resource adequacy and supports a 75% firm transmission requirement at the Forward Showing as a reasonable starting point.

Finally, Idaho Power stresses that a successful program must be workable for load-serving entities and maintain strong individual accountability—participants should remain responsible for meeting their requirements regardless of broader market conditions. While market-based solutions and bilateral trading within the participant pool should be encouraged, they should not replace clear compliance obligations. Idaho Power looks forward to continued engagement and more detailed proposals in future workshops to enable meaningful stakeholder input.

Stakeholder Comment Template

Program Overview Document, Consideration Design Documents, and Spring Workshops

This comment template is designed to guide feedback in high priority areas that the RA Sponsors and Work Group will use to inform the creation of the Initial Draft Proposal. Stakeholders are encouraged to use this document when submitting comments as much as possible, but it is acknowledged that not all stakeholders may have comments in every area. This comment template covers feedback on the Program Overview Document, Consideration Design Documents, as well as any feedback from the Spring Workshops. This initial round of written comments are due June 10, 2026. Please submit comments to resourceadequacy@rowesternenergy.org

A. Program Overview Document

1. Foundational Principles: are there any foundational principles missing or any adjustments needed that should be considered for incorporation into the Initial Draft Proposal?
2. Are there any Key Design Elements missing that should be added into the Initial Draft Proposal?
3. Are there any other additional foundational questions that should be explored when drafting the Initial Draft Proposal?
4. Please provide any additional feedback you would like to share regarding the Program Overview Document.

B. Consideration Design Documents

5. For Consideration Design Document #1 (Governance): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

NV Energy supports maintaining the Technical Oversight Committee (“TOC”) as the primary body for technical policy governance, including key technical and policy decisions. Preserving the TOC’s proposed role would ensure that program participants who are held responsible for meeting the RA program’s compliance requirements and are exposed to any penalties have a defined role in not only shaping a robust program but also ensures a feasible and equitable program.

Diluting the role of the TOC could unfairly steer the program toward unreasonable design elements and disincentive future participation if participant voices are muted by non-participants who may not bear the risk of non-compliance.

NV Energy understands that non-participants are also directly and indirectly affected by any eventual policy outcomes of the program and should have their perspectives heard. However, NV Energy does not support the SRC having a role in the EDAM RA program. The SRC was created for the market policy activity and not a Resource Adequacy program. As an example, the SRC does not have a role in the California Resource Adequacy program, nor does it have a role in the CAISO's RC services. While we value stakeholder engagement from all interested parties, we believe this should occur individually in the RA program stakeholder process and should not involve the sectors that were created for the market stakeholder activity. In addition, NV Energy would support the ability for stakeholders to raise issues or proposals with the program but this should occur through a process that is controlled by the program administrator. Anyone should be able to propose stakeholder enhancements to be stakeholdered by the program. The TOC, composed of RA program participants with compliance obligations, provides technical evaluation and policy recommendations to the ROWE Board, who ultimately holds decision-making responsibility.

NV Energy recommends a strong voting structure and would support a House/Senate voting model for the TOC. While the details and allocation of votes would require further discussion, NV Energy recommends that votes be allocated in such a way that balances representation in a fair equitable manner. Furthermore, NV Energy does support an additional oversight body for the program to consist of state regulators that includes representation for the public power participants. This body should also consist of fair representation based on their respective load within the program.

6. For Consideration Design Document #2 (RA Modelling & Metrics/Resource Qualification (incl. Contracts)/Resource Performance Requirements): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

NV Energy recommends PRM values are studied for a rolling 5-year horizon that maintains those PRM values unless stakeholders reach a consensus that the PRM values no longer reflect actual system conditions based on data analysis. NV Energy believes that receiving PRM values 5 years out provides participants with long-term visibility for planning and procurement and provides flexibility to participants to better align program procurement with their respective regulatory planning requirements. Furthermore, given current market procurement dynamics, a 5-year PRM horizon would give participants opportunity to plan and procure resources as needed to meet forecasted capacity submittal requirements.

NV Energy supports the use of WSPP Schedule C contracts to meet a participant's capacity demonstration. NV Energy is also supportive of the acceptance of WSPP Schedule C contracts without additional elements if the seller and buyer are RA Program participants. NV Energy recommends that any WSPP Schedule C contract from a seller that is not a participant of the RA Program should require additional verification elements, such as an attestation to prevent double counting of capacity.

7. For Consideration Design Document #3 (Compliance Submittal Requirements/Load Forecasting/Transmission): provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations Providing as much detail as possible is appreciated.

NV Energy supports an annual and monthly compliance submittal structure. NV Energy also supports an annual showing of at least 90 percent of participants' applicable capacity requirement and a monthly showing 100 percent of applicable capacity requirement 60 days prior to the applicable operating month. While a transmission requirement hasn't been proposed, NV Energy recommends that a similar transmission showing requirement must also be met in the annual and monthly submittal.

NV Energy believes that the combination of robust resource accreditation and contracted firm capacity along with meeting a certain level of transmission requirement ensures that a participant has enough capacity to meet their needs and the transmission to deliver energy to load and other participants who may benefit from the diversity of the program.

Changes in the load forecast, resource availability, or system conditions after studies are completed and before annual or monthly compliance submittals should

be limited in scope and narrowly defined. However, if changes are of material difference and pose significant reliability risks, these limited narrowly defined changes should be reflected in updated compliance filings but should be done so in a way that gives the program time to process any minor modeling changes and notify other participants with enough flexibility to adjust as needed. NV Energy believes to ensure that the program meets its RA standard, flexibility should be afforded to participants to address late-emerging issues but maintain predictability and not at the expense of other participants.

8. For Consideration Design Document #4 (Compliance Structure (incl. penalties)/Reporting & Transparency): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

As previously mentioned, NV Energy supports an annual and monthly compliance structure. However, NV Energy does not support assessing penalties to participants who do not meet the annual submittal requirements. The annual submittal is intended to inform program participants of any potential shortfalls in a given month or identify months in the program as a whole that may pose greater reliability risks. Furthermore, assessing penalties only to binding months affords participants the flexibility that may be needed to align internal procurement strategies with the program's compliance requirements. As mentioned during the workshop, participants could demonstrate capacity up to 100% prior to any monthly submittal.

NV Energy supports assessing some sort of compliance mechanism to participants that do not meet the 100% capacity requirement or transmission requirement for a given binding month. Compliance mechanisms are essential to holding participants accountable to meeting the goals of the RA program, however the mechanism should not be punitive or duplicative. NV Energy believes more in-depth discussion needs to occur around the compliance mechanism. The compliance mechanism should be assessed at a level that ensures compliance with the program but also not be excessive in a way that prohibits participants from joining the program. The mechanism should be in place to maintain the value proposition of the program.

NV Energy supports conducting data driven analysis to identify months with elevated system risk and reaching a consensus with other participants to designate those riskier months as binding months. Including non-binding months provides information on the state of the program and if participants are still maintaining

enough resource adequacy, but affording the time needed to schedule outages and the flexibility to adjust should those outages need to be extended or to mitigate other strenuous events.

In addition, NV Energy suggests that the program facilitate a bilateral trading matching mechanism to lower market barriers and ease transactions for program participants that are short to match with long participants or vice versa. NV Energy also suggests the program consider the implications of a backstop mechanism conducted by the Program Service Provider that procures excess supply for short participants.

NV Energy recommends that any construct to operationalize the program should consider making it easily understandable and as simple as possible in order to incentivize participation and build transparency. Additionally, NV Energy proposes that a long-term goal could resemble a mechanism where a RA program participant also participating in EDAM or WEIM that meets the RA program requirements could forgo the EDAM or WEIM Resource Sufficiency Evaluation tests by submitting must offer obligations into the market.

NV Energy is supportive of an annual report and does not oppose altering the frequency of reporting at stakeholder request. NV Energy believes that an annual aggregate report that respects the confidentiality and propriety of sensitive data would help stakeholders understand the state of the program and if policy changes are needed or are working as intended. A detailed granular bespoke report could be made available to the program participants and their respective regulators at their request. NV Energy believes this could provide regulators with the insights they may need to ensure compliance but respect market sensitive data.

C. Spring Workshops

9. What aspects of the spring workshops were helpful? What suggestions should we consider to structure the summer workshops differently to better present material and foster open dialogue?

D. Other

10. Please use this section to provide any additional feedback not covered in the sections above

**Comments of the Balancing Authority of Northern California
on the
EDAM Resource Adequacy Initiative**

The Balancing Authority of Northern California (BANC) is pleased to have the opportunity to provide initial comments on the voluntary EDAM Resource Adequacy (RA) initiative. BANC expects that our views will evolve and become more specific as the initiative develops more technical detail.

BANC is in the middle of refining its own RA policy that would be applicable to members within its Balancing Authority Area. Our preference would be to be part of a broader program that leverages the load and resource diversity across a broader footprint, the transmission interconnectivity of that footprint, and the market engine that will enable resources within the pooled construct to support reliability.

A Voluntary Program and the “Value Proposition.”

The EDAM-driven RA initiative has always been viewed as a voluntary program. It is not a mandatory component for participation in EDAM, nor is it limited to EDAM Entities. As such, no entity that did not see value with respect to supported system reliability and/or cost savings as measured against a reasonable reliability benchmark, would participate.

BANC supports calls for demonstration that a broader regional program will not lead to increased costs. BANC itself would not participate in a program that raised its own costs against a rational reliability benchmark. However, BANC does anticipate that how it currently assesses the state of its system will change due to participation in any EDAM RA program. It is important that the value assessment not be conflated with arguments that the status quo should be maintained.

New Proposed Schedule

BANC supports the newly proposed schedule which targets the Fall for development of an Initial Proposal. BANC also supports a Q4 2026/Q1 2027 delivery of a Proposal to the Regional Organization for Western Energy (ROWE) Board. This will allow the ROWE to have additional time to get organized in order to better process the Proposal and execute any subsequent stakeholder process that it may need and consequent filing at FERC.

The refined process will allow the Summer to be used for additional technical and other workshops. BANC would like to see focus on difficult issues that are well recognized, including:

- How deliverability and transmission obligations are manifest in the RA Program;

- How compliance, penalties/incentives, and any facilitated procurement would be addressed;
- How the proposed stakeholder process of the ROWE (assuming this is a ROWE-administered program), will interface with a proposed Participants Technical Committee, and the role of the states through the Body of State Regulators.

Design Elements

Workshop #2 (Governance)

BANC supports the following key elements of governance for the EDAM RA program:

- General integration into the ROWE stakeholder process. This initiative is envisioned as a ROWE program, and it should largely be integrated into the ROWE stakeholder process, with certain modest augmentations below.
- A strong advisory role for a participants technical committee. The EDAM RA is voluntary, and the obligations fall on a limited number of market participants. As such, a technical committee with a strong advisory role that leads design issues and is responsible for vetting technical elements of the program. To be clear, it would not be decisional. The ROWE Board is the independent decisional body. However, and subject to refinement and input, there should be something akin to a rebuttable presumption that technical committee support is needed to advance a market design tariff change.
- A strong advisory role for the states and representatives of other local regulatory authorities. Similar to the technical committee, there should be something akin to a rebuttable presumption that support from the advisory committee of state and local regulatory authorities is needed to advance a market design tariff change. BANC supports executing this role with the current configuration of the Body of State Regulators (depending on market footprint, of course), including the current role of public power and Power Marketing Administration liaisons.

Workshop #3 (Metrics, Modelling, Resource Qualification)

BANC generally supports the concepts laid out in Workshop #3, including the overall reliability targets and resource accreditation. However, BANC is most familiar with some of the resource counting rules, for example, that are prevalent in California, and looks forward to hearing from other regional stakeholders on key issues in other regions (hydro accreditation, particular intermittent resource characteristics, for example) to better inform its views on these issues.

Workshop #5. Transmission/Compliance Structure/Penalties/Data Transparency

As a core principle, Resource Adequacy capacity that is not deliverable to load does not support system reliability. Therefore, BANC supports a deliverability requirement of some type and thinks the proposals in the Design Document are a reasonable starting point. However, BANC members have experienced some of the challenges to obtaining transmission on key paths that have been reported by other stakeholders. Indeed, the issue of not being able to reach designated trading hubs is a reason BANC was not able to participate in the Western Resource Adequacy Program.

BANC encourages any stakeholders who have concepts on how to “thread the needle” for a program design that includes needed deliverability but reflects commercial reality that transmission availability with necessary firmness and duration may be difficult to acquire, to put them forth in this process.

BANC supports robust data transparency while recognizing that certain commercial terms and individual entity compliance positions are market sensitive matters. In order to try and move this issue past the theoretical, BANC submits the following examples of what would be available and not available, for consideration:

- We envision this to be a ROWE-administered program, which means it will be subject to the ROWE commitments to ensure state regulators have access to data necessary to fulfill their obligations under state law.
- Each state regulator should have access to information regarding the compliance of each of the entities under its individual jurisdiction. This would include load forecast data used, identification of resources or market purchases used to comply or have otherwise been submitted to the program administrator to assess compliance, and resulting short or long positions.
- Individual resource accreditation across the market footprint, and the methodology under which resources are accredited. This would be akin to a Net Qualifying Capacity list used in some programs, so that all can see the RA counting value for all resources.
- Transmission data used to assess deliverability of resources, including procured transmission rights as applicable, matched to individual resources when that is appropriate.
- Aggregate program data to include aggregated load, coincident peak load, aggregated accredited resources under the program broken down into whatever compliance periods are adopted by the program (i.e., Annual, Seasonal, Monthly).
- Not really an RA issue, but aggregated data on RSE failure rates is available market data.

What we anticipate would not be provided includes:

- Pricing information of any kind. It is our assumption that contract price information is already available to regulators for load serving entities over which they have jurisdiction;
- Individual entity load and procurement positions as a general matter beyond applicable and jurisdictional regulators

Conclusion

BANC strongly believes that an RA program with a diverse footprint and strong interconnectivity will bring value and savings to consumers as compared to a “go it alone” approach using similar metrics. We believe a necessary step to assess the proposition is to nail down program design elements so this hopeful assumption can be tested.



06/17/2026

Regional Organization for Western Energy (ROWE)

Submitted to resourceadequacy@rowesternenergy.org

Re: Comments on EDAM Resource Adequacy Initial Program Design

Pattern Energy (Pattern) appreciates the opportunity to provide comments on the initial design proposal for the Regional Organization of Western Energy (ROWE) Extended Day Ahead Market (EDAM) Resource Adequacy (RA) Program. An EDAM specific RA program is an important step towards long-term electric system reliability in the west. Pattern supports the development of a durable regional RA framework and offers the following comments to help facilitate additional stakeholder discussion to strengthen the ultimate program design.

Governance

While Pattern appreciates the transitional needs of the program while the ROWE is being built, Pattern recommends stakeholders consider how best to leverage the ROWE rather than creating an entirely new interim governance structure for one regional market service. Pre-existing Stakeholder groups like the Body of State Regulators and/or the Stakeholder Representatives Committee are well positioned to provide regulator and sectoral stakeholder oversight. The program can be designed so those groups work in conjunction with a smaller and more technical sub-group with the delegated authority to bring analysis and recommendations forward on specific issues and tasks.

While Pattern appreciates the need for a group like the proposed technical oversight committee to conduct technical work, in any such structure, Independent Power Producers (IPPs) must have an equal seat at the table to load-serving entities (LSEs). IPPs are the counter parties for power purchase agreements, and the Program Overview document identifies several fundamental design elements that will impact resource owners and developers just as much as LSEs and Balancing Authority Areas (BAAs). Furthermore, IPPs bring unique expertise regarding project development timelines, managing interconnection and deliverability risk, resource performance, and financing for new capacity resources.

RA Modelling & Metrics, Resource Qualification, and Resource Performance Requirements

Pattern encourages stakeholders to focus on establishing accreditation methods which prioritize stability and predictability to support long-term resource investment. A durable accreditation framework is critical because frequent or unpredictable shifts in methodology or results can undermine project financing and/or contracting at critical moments throughout the project development lifecycle. Where refinements are necessary to integrate improved datasets or reflect changing system conditions, they should be introduced in a way that preserves the assumptions late-stage projects have relied upon.



One opportunity to improve the synthetic resource profiles proposed for variable energy resources is to utilize more granular datasets based on real-world statistics. For example, Vibrant Clean Energy's Resource Adequacy Renewable Energy (RARE) power dataset provides an open-source data set for power system planners that includes hourly solar and wind production published at a county-level granularity. This approach has been used previously to develop a dataset for the Midcontinent Independent System Operator (MISO) in 2020.

Pattern also recommends stakeholders consider how new types of resources can be integrated into the initial design for accreditation methodologies as well as a process for integrating them once the programs re-occurring processes are established. Interregional HVDC transmission projects can provide measurable reliability benefits using existing accreditation methodologies, but its unique operational characteristics can be difficult to fit into traditional resource adequacy frameworks. Not fitting neatly into historical RA program paradigms should not preclude new resource types that can provide measurable reliability benefits from capturing and commercializing those benefits to the benefit of the region.

Transmission

Pattern believes integrating the unique structure of transmission rights in the EDAM footprint into ROWE RA will be critical for ultimate program success. Finding the correct balance between confidence that the transmission system can deliver the regional resource portfolio against the increased time and cost an overly burdensome firm transmission requirement would add will be difficult. This is particularly true for variable energy resources who will not be relied upon during some parts of the year and therefore should not be expected to secure excess firm transmission service products to participate. A drastic increase in transmission service requests could make transmission planning and investment decisions more difficult. This is already a known problem in the West and at least one transmission provider has already had to initiate reforms to their transmission service request process in response to an impracticable volume of new requests.

Respectfully Submitted,

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Pattern Energy

CPUC Energy Division Stakeholder Comments

Program Overview Document, Consideration Design Documents, and Spring Workshops to Inform Initial Draft Proposal on a Regional RA Program

Comments due: June 17, 2026 | Submit to: resourceadequacy@rowesternenergy.org

Submitter Information

Stakeholder / Organization	Energy Division, California Public Utilities Commission
Submitted by	Natalie Guishar, Senior Regulatory Analyst
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Date submitted	June 17, 2026

These comments are submitted by the Energy Division of the California Public Utilities Commission (CPUC) as the Local Regulatory Authority (LRA) for investor-owned utilities (IOU), community choice aggregators (CCA), and electric service providers (ESP) serving load in California. They reflect Energy Division staff perspectives intended to inform the Initial Draft Proposal and do not constitute the Commission's position. The Energy Division appreciates the RA Sponsors' and Work Group's effort to advance a regional Resource Adequacy (RA) program and welcomes the recognition that it is intended to operate with established RA programs. Each topic begins with a short description of how the issue is administered in California today, followed by our comments. The CPUC's RA program is one of the programs with which the regional program commits to interoperate, and we offer these descriptions so the Work Group can concretely evaluate interoperability.

A. Program Overview Document

1. Foundational Principles. Are there any foundational principles missing or any adjustments needed that should be considered for incorporation into the Initial Draft Proposal?

Context: California's RA program is established under [PU Code §380](#), which directs the CPUC to set resource adequacy (RA) requirements for all CPUC-jurisdictional Load Serving Entities (LSEs): IOUs, CCAs, and ESPs. The program was established in 2004 after the energy crisis via CPUC Decision (D.) 04-10-035 and successor decisions and adopted into statute in 2005 via Assembly Bill ([AB](#)) [380](#) (Nunez, 2005) to ensure each LSE maintains capacity adequate to meet its load. Under these decisions¹ and statutory authorizations, the CPUC sets system, local, and flexible RA obligations; adopts the planning reserve margin (PRM) and resource counting conventions; determines qualifying capacity (QC) methodologies; coordinates with the CEC and the CAISO on the program; and balances affordability and reliability based on the state-adopted PRM and compliance rules. The California Energy Commission (CEC) supplies the demand forecast basis, and the CAISO implements a portion of the RA framework via Federal Energy Regulatory Commission (FERC) Section 40 of its RA tariff,² which includes Most Offer Obligations (MOO)³ and backstop procurement under the Capacity Procurement Mechanism (CPM).⁴ Beginning with the 2025 compliance year, the CPUC transitioned its system RA framework to a 24-hour 'slice-of-day' (SoD) construct evaluating capacity sufficiency in every hour of a representative worst day each month. Within the CAISO BAA, multiple LRAs (the CPUC and the LRAs of publicly owned utilities [POUs]) set RA requirements for their respective LSEs while the CAISO applies tariff-based processes, primarily through its interactions with generators.

¹ [D.04-01-050](#), [D.04-10-035](#), [D.05-10-042](#), [D.06-06-064](#), [D.06-07-031](#), [D.10-06-036](#).

² CAISO, FERC Elec. Tariff § 40, "Resource Adequacy Demonstration for all Scheduling Coordinators in the CAISO Balancing Authority Area," (2026)

³ CAISO, FERC Elec. Tariff § 40.6 (2026)

⁴ CAISO, FERC Elec. Tariff § 43A (2025)

The proposed foundational principles therefore intersect directly with California's operational state program, and the Energy Division's comments focuses on that intersection.

The Energy Division supports Foundational Principle 4 (non-infringement on existing regional RA programs) and Principle 7 (voluntary participation). These principles determine whether this program can coexist with the CPUC RA program and similar constructs related to RA and resource planning. The Energy Division puts forward the following recommended refinements and additions:

- **Principle 1.** Establish a common, transparent capacity counting standard, with mechanisms to incentivize adherence to the standard. **Comment:** The Energy Division notes that several comments in this submittal bear on the design of the counting standard: the question regarding a safe harbor for state-approved methodologies, such as treating CPUC-approved hourly exceedance profile values as default QC values (Section A, Question 3); the comment on review and approval of contract QC values (Section B, Question 7, Compliance Submittal Requirements); and the CPUC's preliminary note on alignment with state accreditation methods (Section B, Question 6).
- **Principle 2.** Enhance reliability by ensuring that participating entities procure adequate, deliverable capacity capable of supporting both local *and* system needs. **Comment:** See the CPUC's transmission and deliverability comments (Section B, Question 7, Transmission), including coordination with California's Maximum Import Capability (MIC) framework and CAISO deliverability constructs, which ensures that procured capacity is deliverable to load when and where needed.
- **Principle 3.** Support efficient Extended Day Ahead Market (EDAM) operations by clarifying forward obligations, performance expectations, and the relationship between RA capacity and day-ahead scheduling, using market dispatch for delivery. **Context:** In California, capacity shown in an RA filing carries a must-offer obligation (MOO) under the CAISO tariff: LSE-shown resources with generators must be bid or scheduled into the CAISO day-ahead markets for all hours they can operate, with outage and substitution rules governing unavailability. The MOO is the central mechanism that converts a paper showing into physical supply in the energy market, and resource availability is incentivized through a binding, tariff-based availability provisions. California's 2004 and 2005 decisions defined the foundational aspects of the RA product as a resource's MOO to the energy markets.⁵ **Comment:** The Program Overview Document does not include a MOO construct. The Initial Draft Proposal should address whether capacity shown to the regional program carries a MOO obligation into EDAM (or the host BAA's processes), how that obligation would be enforced, and how it would interact with any MOO for a resource shown to the CPUC and this program. Without a MOO or equivalent performance mechanism, the link between the showing and day-ahead supply is incomplete. (See also the CPUC's question regarding the relationship between this program's compliance framework and the EDAM Resource Sufficiency Evaluation [RSE] (Section A, Question 3), which contains the same linkage between forward showings and day-ahead market operations.)
- **Principle 4.** Does not infringe upon or impede other regional RA programs. **Context:** In the CPUC program, a MW of capacity may be counted only once. NQC values are published annually; LSE showings are validated against sellers' scheduling coordinator supply plans; and the CPUC and CAISO jointly confirm no capacity is shown twice. California also accepts only specified imports: under [D.19-11-016](#) and [D.20-06-028](#), import RA must come from a specified resource (or meet firm-energy requirements), be backed by a Maximum Import Capability (MIC) allocation at the relevant intertie, and be bid into the CAISO day-ahead market. The program has long sought to prevent reliance on unspecified out-of-region resources, since one cannot tell whether resources

⁵ [D.04-01-050](#), [D.04-10-035](#), and [D.05-10-042](#), all issued in Rulemaking [\(R.\) 04-04-003](#).

backing "unspecified" products are also used for reliability elsewhere. The ban on liquidated damages (LD) contracts reflects this: as early as 2005,⁶ the CPUC required RA to rest on specified physical resources, since an unidentified backing resource could let LSEs lean on other regions and undermine the program. **Comment:** Strengthen Principle 4 by adding more operational specificity. As drafted, it commits to interoperability in concept but postpones the mechanics. Energy Division recommends language that prohibits double counting a single resource or contract toward both this program and another state RA program for the same compliance period, and that commits the Initial Draft Proposal to a coordination protocol with LRAs *before* any compliance demonstration becomes binding. The protocol should also address imports and exports across program seams: because California counts only specified imports, the Proposal should explain how a resource shown as specified into the CAISO BAA would be treated by the regional program, and conversely how capacity within the CAISO BAA shown to this program would be reconciled against CPUC RA showings and MIC allocations. (See related comments: interaction with state RA programs and handling of state-mandated resources [Section A, Q2] and dual-program participation by CPUC-jurisdictional LSEs [Section A, Q3]).

- **Principle 5.** Leverage transmission connectivity of EDAM to enable capacity savings for RA program participants and their customers. **Comment:** See the Energy Division's comments on the transmission demonstration (Section B, Question 7, Transmission), including the interim and long-term framework, the design of the exception process, and potential long-term contract-path reforms, as they affect how this principle would be implemented.
- **Principle 6.** Minimize administrative burden and costs for participants without sacrificing reliability. **Context:** CPUC-jurisdictional LSEs already operate on a prescriptive compliance calendar: year-ahead (YA) filings are due each fall and monthly filings are due 45 days before each compliance month, using standardized showing templates that are hourly in granularity. Any LSE participating in both programs would prepare two sets of showings on two calendars. **Comment:** Clarify the principle with respect to dual-jurisdictional entities. For LSEs that may participate in both this program and a state RA program, the administrative burden could be additive, instead of minimized. The Energy Division recommends the principle commits to harmonizing data formats, demonstration templates, and compliance calendars with existing state RA programs. The misalignment between the proposed 60-day-ahead regional monthly showing and the CPUC's approximately 45-day-ahead monthly showing (as discussed in Section B, Question 7 [Compliance Submittal Requirements]), is one instance of recommended recommendation.
- **Principle 7.** Operate as a voluntary program. **Comment:** While the Energy Division supports the voluntary structure, we provide additional comments elsewhere as parallel: Energy Division recommends clearly defined withdrawal and exit provisions (Section A, Question 2), and the question whether a voluntary, informational 90% annual showing will drive *actual* forward procurement (Section B, Question 7, Compliance Submittal Requirements).
- **Principle 8.** Ensure non-discriminatory, comparable treatment across similar program participants. **Comment:** See the LSE eligibility and scope comment (Section A, Question 2) and the question on newly forming, transitioning, and migrating LSEs (Section A, Question 3), both of which concern comparable handling of similar entities.
- **Principle 9.** Align incentives, penalties, and any backstop mechanisms with cost causation and waivers that address commercial feasibility. **Context:** Under CAISO Tariff Section 43A, California allocates backstop and program costs by cost causation. When CAISO issues a Capacity Procurement Mechanism (CPM) for an LSE's deficient RA showing after the cure period, costs go to the deficient LSEs—for local deficiencies, pro-rata by their share of the local capacity area

⁶ [D.05-10-042](#).

(LCA) shortfall, exempting compliant LSEs. When LSEs are individually compliant *but* their aggregate showings still fail the local reliability criteria, costs are socialized across all LSEs in the TAC area pro-rata by gross TAC-area load.⁷ Other triggers follow similar logic: designations tied to a specific party's shortfall (e.g., a resource owner's failure to perform) are charged to that party, while system-level designations not attributable to any party, such as significant event or exceptional dispatch CPMs, are spread by load-ratio share in the relevant area. In this way, CPM backstop costs go to the LSEs whose deficiencies caused the procurement; capacity procured centrally for others (e.g., under the Cost Allocation Mechanism [CAM] or, for local RA, under the central procurement entity [CPE] framework) goes to benefiting LSEs; and non-deficient LSEs' ratepayers are insulated from others' deficiencies. **Comment:** The Energy Division proposes a customer-protection parallel: program administration costs and backstop costs will be allocated only to program participants and not socialized to non-participating LSEs or their retail customers, including customers of CPUC-jurisdictional LSEs that do not opt in. (See also the cost allocation and funding model comment [Section A, Question 2], addressing this at the program-cost level.)

- **Proposed Additional Foundational Principles:**

- **State-coordination and data-verification principle. Context:** The CPUC directly verifies the showings of its jurisdictional LSEs. The Energy Division receives the year-ahead (YA) and month-ahead (MA) filings, crosschecks them against CAISO supply plans from generators, and is authorized to obtain underlying contract data, subject to confidentiality protections under [PU Code §§ 583](#) and [454.5\(g\)](#) and the Commission's confidentiality decisions. State verification access is crucial to the program's integrity and enforceability. **Comment:** The current set of principles does not commit the program to ongoing information sharing with LRAs whose jurisdictional entities may participate. The Energy Division recommends a new principle establishing that the program will share, on a confidential basis where appropriate, compliance submittal data for jurisdictional LSEs with their respective LRA. The CPUC must be able to verify submitted data for their jurisdictional entities, with access to the full underlying data set, so that state regulators can confirm consistency with requirements and detect double counting. (See also the confidentiality framework comment [Section A, Question 2], which addresses the mechanics access to commercially sensitive data, and the foundational question on timely LRA review of program rule changes [Section A, Question 3].)
- **Transparency principle separate from reporting. Context:** The underpinnings of California RA program obligations on LSEs; the planning reserve margin (PRM) loss-of-load-expectation (LOLE) studies; hourly exceedance values; and qualifying capacity (QC) methodologies are adopted in public proceedings in which parties may review the underlying data, modeling, and file comments before values become binding. **Comment:** The Program Overview Document treats transparency primarily under Reporting. The Energy Division recommends elevating transparency, particularly regarding modeling assumptions, accreditation methodologies, and PRM derivation, to a foundational principle, especially given the program's reliance on shared modeling and the interest in being able to evaluate methodologies *before* they generate binding obligations.

2. Are there any Key Design Elements missing that should be added into the Initial Draft Proposal?

The Energy Division identifies the following design elements as underdeveloped in the Program Overview Document. Each is important to address in the Initial Draft Proposal because they materially

⁷ CAISO, FERC Elec. Tariff § 43A.8.3 (2025)

affect whether the program can coexist with state RA programs and whether participation will be feasible for jurisdictional LSEs. For each element, we first note the corresponding California practice.

- **LSE eligibility and scope. Context:** California law defines the universe of load-serving entities (LSEs) subject to CPUC RA (IOUs, CCAs, and ESPs) and the CAISO BAA contains dozens of such LSEs of widely varying size, with publicly owned utilities (POUs) regulated by their own LRAs. California's experience is that LSE-level programs require clear rules for load migration between LSEs, for newly forming LSEs, and for allocating obligations among many entities sharing one BAA. **Comment:** The Program Overview Document states that the program will initially be available to LSEs within an EDAM BAA but does not define what qualifies an entity as an LSE for program purposes, whether participation is at the LSE or BAA level in the interim, how LSEs that serve load across multiple BAAs would be treated, or how California CCAs and ESPs would be accommodated. These threshold questions should be addressed in the Initial Draft Proposal.
- **Interaction with state RA programs. Context:** CPUC-jurisdictional LSEs file Year-Ahead (YA) and Month-Ahead (MA) RA showings with the CPUC and CAISO; shown resources carry must-offer obligations (MOO) under the CAISO tariff; showings are validated against seller supply plans filed with the CAISO; and import capability is granted through the annual MIC allocation process. **Comment:** Beyond the principle of non-infringement, the program would likely need operational protocols for how compliance submittals will be reconciled with state RA showings, how resources counted in California's YA and MA RA filings would be treated, and how state-administered import allocations interact with the regional transmission.
- **Cost allocation and funding model. Context:** CAISO's costs of administering RA functions are recovered through tariffed charges on market participants, and backstop procurement costs are allocated to the entities that caused the need; program costs do not flow to entities outside the program's scope. **Comment:** The Program Overview Document notes the RA Sponsors are self-funding the initial stakeholder process but does not address how ongoing program administration costs will be allocated among participants, how startup and implementation costs will be recovered, or whether any costs flow to non-participants. This is a foundational element that should be in the Initial Draft Proposal.
- **Withdrawal and exit provisions. Context:** California's program is mandatory for jurisdictional LSEs, so exit is not a design feature; but California's experience with load migration between LSEs demonstrates that obligations must follow load in a prescribed way, with notice requirements and true ups to avoid stranded obligations. **Comment:** A voluntary program should have defined provisions for participant withdrawal, including notice periods, handling of in-process compliance obligations, and any exit fees. The absence of these provisions could deter participation and complicate state-level oversight.
- **Confidentiality framework. Context:** RA contract terms, prices, and position data submitted to the CPUC are treated as confidential market-sensitive information under [PU Code §§583](#) and [454.5\(g\)](#) and the Commission's confidentiality framework ([D.06-06-066](#) and its successors), with defined categories, protection periods, and procedures for regulator access. **Comment:** The Reporting and Transparency section briefly notes the need to balance confidentiality. A standalone confidentiality framework, including handling of commercially sensitive contract data, market-sensitive position information, and protected customer data, including regulator access rights, should be developed as a discrete design element.
- **Dispute resolution. Context:** Disputes regarding CAISO's application of its tariff proceed through the CAISO alternative dispute resolution provisions ([Tariff Section 13](#)) and ultimately FERC, while disputes over CPUC program requirements are resolved through Commission processes (advice letter dispositions, petitions for modification, and formal complaint procedures). Jurisdictional clarity over which forum hears which dispute is essential. **Comment:** The Program Overview Document does not address how disputes between a participant and the program operator, or between participants, will

be resolved. Given the program's structure (independent board, technical committee, third-party service provider), a more specified dispute resolution framework should be prescribed, with clear delineation between program-tariff disputes and state-jurisdictional issues.

- **Treatment of state-mandated resources. Context:** California has ordered procurement of long lead-time and reliability resources through CPUC integrated resource planning (IRP) orders and allocates centrally procured capacity through the Cost Allocation Mechanism (CAM) and the central procurement entity (CPE) framework for local RA. It also maintains a Strategic Reliability Reserve procured by the Department of Water Resources (DWR) under [AB 205](#) (Ting, 2022) that sits outside RA markets by design. **Comment:** The Initial Draft Proposal should address how such resources would be accounted for if their off-taker LSEs participate in the program, including whether state-allocated capacity credits are recognized, and how reserve resources that are excluded from RA counting in California would be treated regionally.

3. Are there any other additional foundational questions that should be explored when drafting the Initial Draft Proposal?

The Energy Division submits the following foundational questions for the Work Group's consideration:

- How does the proposed program relate functionally to the Western Resource Adequacy Program (WRAP), and what is the intended outcome for LSEs that participate in both? Specifically, will an LSE's WRAP capacity showing be deemed to satisfy any portion of this program's requirements, and vice versa?
- What is the intended relationship between this program's compliance framework and the EDAM Resource Sufficiency Evaluation (RSE)? Is the program intended to displace, complement, or operate independently of the RSE in the day-ahead horizon?
- If a CPUC-jurisdictional LSE elects to participate, how will the program interact with the LSE's pre-existing obligations under CPUC RA rules? Specifically, must the LSE first satisfy CPUC RA before any marginal or "surplus" capacity can be counted in the regional program, and how are diversity benefits allocated back to the LSE?
- What mechanism will ensure that program rule changes that materially affect state-jurisdictional LSEs receive timely review by the affected LRAs before becoming effective?
- Has the Work Group considered any safe harbor frameworks for state-approved Qualifying Capacity (QC) methodologies, such as the CPUC's hourly exceedance value?
- How will the program treat newly forming LSEs, LSEs in transition (i.e., those exiting bundled service to community choice), or LSEs whose load is migrating between BAAs?

4. Please provide any additional feedback you would like to share regarding the Program Overview Document.

- **Acknowledgment of state authority.** The Energy Division appreciates the Program Overview Document's recognition that state autonomy over RA is a building block of the program (Principle 4) and that the program is intended as an option for LSEs not already covered by CPUC RA or WRAP. Clear articulation in the Initial Draft Proposal, including identifying which LSEs the program targets and which it does not, will reduce the risk of jurisdictional friction.
- **Timeline.** The proposed schedule moves from Program Overview Document release in April 2026 to a Revised Draft Proposal by fall 2026, ahead of ROWE Board seating in Q3 2026 and staffing in Q4 2026. The Energy Division encourages the RA Sponsors and Work Group to build flexibility into this timeline so that state regulator engagement, particularly with the Body of State Regulators (BOSR), is not foreclosed because of an aggressive milestone schedule. A Revised Draft Proposal completed before the ROWE Board has had an opportunity to engage may reduce its durability.
- **Transitional legitimacy.** The Program Overview Document states that this process is being run outside any established stakeholder framework, with self-funded sponsors and a self-organized Work Group. The Energy Division recognizes the practical necessity of beginning work now but

emphasizes that the legitimacy of design choices made during this period will ultimately depend on robust engagement with state regulators and the broader stakeholder community before any element of the design is considered settled.

- **Coordination with other initiatives.** The Initial Draft Proposal should address coordination with the West-Wide Governance Pathways Initiative, ROWE formation, EDAM RSE refinements, CAISO's transmission planning processes, the WECC reliability processes, and state-level RA and resource planning proceedings. A coordination roadmap, even if at a high level, would help stakeholders assess dependencies.

B. Consideration Design Documents

5. Consideration Design Document #1: Governance

Context: In California, RA policy is made by the CPUC through public proceedings in which any interested party may participate on the record, and the CAISO implements RA through its FERC tariff. When the CAISO changes any aspect of its RA-related tariff provisions or business practice manuals, it does so through its public stakeholder initiative process, straw proposals, written comments, and Board review, instead of through a participants-only technical committee. The CPUC and the other LRAs within the CAISO BAA retain authority over counting rules and program requirements for their jurisdictional LSEs, coordinate with CAISO through that public process, and do not convene a private LRA-only working group each time CAISO modifies an RA mechanism; all proposals are reviewed through this process. The Energy Division refers any program violations to the CPUC's Consumer Protection and Enforcement Division (CPED), a separate enforcement division that makes independent determinations on whether to issue violations for citations to program rules. CPUC citations for RA violations can be appealed through an appeal process in accordance with CPUC rules of practice and procedure. CAISO oversight of generator supply plans is conducted in accordance with its tariff. CAISO Market oversight is provided by CAISO's Department of Market Monitoring (DMM), whose independence from CAISO management is preserved through a separate reporting line to the Board. This experience informs the Energy Division's views on the proposed Technical Oversight Committee, the Regulatory Advisory Group, and the Program Assessor.

Level of support for concepts presented.

Mixed: Support with reservations. The Energy Division supports the proposal that the Regional Organization for Western Energy (ROWE) Board serve as the independent oversight body, consistent with the West-Wide Governance Pathways Step 2 architecture and the principle of an independent governance structure for Western markets. The Energy Division also supports the conceptual role of CAISO as the Program Service Provider (PSP), given its operational position within the EDAM footprint. However, the Energy Division has reservations about two elements of the proposed governance structure: (i) the limitation of the Technical Oversight Committee (TOC) to program participants only; and (ii) the characterization of the Regulatory Advisory Group (BOSR, plus a Public Power representative) as purely advisory with no decisional authority.

Suggestions for alternative approaches.

- **Strengthen the role of the Regulatory Advisory Group.** The Consideration Design Document states that the Regulatory Advisory Group (RAG) will provide input but hold no decisional authority, and that the Work Group declined to consider parallel Federal Power Act (FPA) Section 205⁸ rights for the BOSR "due to the voluntary nature of the program." The Energy Division does not believe voluntariness alone justifies a weaker state role than is established for the EDAM under Pathways Step 2. On the contrary, participating LSEs may also be subject to state-level RA programs and various state-led resource planning decisions. In fact, the case for state regulator

⁸ [16 U.S.C. § 824d](#)

influence over RA program design is arguably stronger than in an energy market. The purpose of an RA program is to ensure adequate resources flow into the energy markets and state regulators (or POU boards) have a foundational role in the resource planning decisions that position LSEs to be sufficiently resourced in the forward horizon. The Energy Division recommends the Initial Draft Proposal explore: (a) a consultative or advice-and-consent role for the RAG on tariff and Business Practice Manual (BPM) changes that materially affect compliance methodology, accreditation, or modeling assumptions; (b) a formal mechanism for the RAG to refer proposed rule changes to the ROWE Board for further review when state regulator concerns are not addressed at the TOC level; and (c) a defined role in the Program Assessor selection and scope of review.

- **Reconsider the Technical Oversight Committee (TOC) composition.** Limiting the TOC to program participants risks creating a body whose technical decisions about the appropriate amount of resources to ensure reliability are made without the perspective of state regulators, consumer advocates, or the broader stakeholder community whose interests may be affected. The Energy Division notes that the closest parallel in California points the other way: within the CAISO BAA, there is no standing participants-only or LRA-only technical committee through which RA program requirements or implementation changes are developed. CAISO reviews *all* proposals through a public process, and that process has been central to the program's legitimacy. The Energy Division recommends the Work Group consider models that include non-voting state regulator representation on the TOC, an obligation for the TOC to consult with the Regulatory Advisory Group (RAG) before bringing material recommendations to the ROWE Board, or a parallel state regulator subcommittee whose written input must be appended to TOC recommendations transmitted to the ROWE Board.
- **Specify the TOC voting structure before finalization.** The Consideration Design Document defers the question of whether the TOC will operate by consensus or a formal voting structure (and whether a bi-cameral-style model is appropriate). The Energy Division recommends that any voting structure include design features that prevent dominance by a small number of large participants (for example, a sector-balanced approach akin to the EIM Governing Body's Nominating Committee structure⁹) and that the voting design be settled in the Initial Draft Proposal instead of deferring to the Business Practice Manual (BPM) stage.
- **Distinguish CAISO's role as the Program Service Provider (PSP) from its broader market and operational roles.** The Initial Draft Proposal should address how the program would preserve the role of state regulators and publicly owned utility (POU) governing boards. The existing California RA framework divides functions between local regulatory authorities (LRAs) which set requirements and guide resource planning, and CAISO, which validates RA showings and supply plans, administers must-offer obligations (MOO), and exercises backstop procurement under its FERC-jurisdictional tariff. This shows FERC tariff functions can coexist with a state and local role, but the deference to LRA requirements resides within tariff provisions subject to amendment, and a regional program could place more functions within the program itself (e.g., forecasting, requirement calculations, deficiency assessments). The Proposal should therefore address: which elements would reside in a FERC-jurisdictional tariff versus non-tariff instruments (program documents, participation agreements, governance charters); and second, what design features would preserve a durable role for states and LRAs. At a minimum, it should prescribe deference to LRA requirements, provide protections governing how deference and governance provisions could later be amended, including whether changes should require the consent of the governing body and affected LRA. It should also provide a formal role for state regulators and POU boards and align with the Pathways Initiative's regional organization structure. Staff requests that the proposal identify these features and consider a cooperative-regionalism model that allows

⁹ See CAISO, [Selection Policy for the WEM Governing Body](#), Version #1.4 (2024)

multiple entities to perform their functions under clear areas of coordination. Should CAISO serve as the PSP, the proposal should specify the ring-fencing, firewalls, and conflict-of-interest provisions appropriate for its simultaneous roles as BAA operator, WEIM and EDAM market operator, and backstop procurement entity. This matters especially if CAISO's Department of Market Monitoring (DMM) serves as Program Assessor: DMM's value rests on its independence from CAISO's operational and policy functions and is preserved through direct reporting to the CAISO Board of Governors. The proposal should explain how parallel independence would be established, including how reporting would be structured if the regional assessor were accountable both to the CAISO Board for market monitoring and to the program's governing body for assessment, and whether a separately governed assessor would better serve the program.

- **Independent Program Assessor scoping.** The Energy Division supports the inclusion of an independent Program Assessor function. The Energy Division recommends the Initial Draft Proposal include an option for the Program Assessor to be an entity other than CAISO DMM, identified through a competitive or independent selection process to preserve flexibility and avoid embedding a single-source assessor. The tariff should define how DMM serves in this role, its scope, reporting line, data access, and ability to publish its assessments instead of in other documents.
- **BOSR composition.** The Consideration Design Document notes that the existing BOSR has two public power liaisons in advisory capacity and asks what changes should be considered for RA governance. The Energy Division recommends that any expansion of public power representation on BOSR for RA program purposes be considered carefully and proportionally, recognizing that BOSR's role is to represent state regulatory authority over jurisdictional entities. Public power perspectives are essential and warrant a seat at the table but should be structured in a way that does not dilute the state-regulator character of BOSR or complicate its ability to speak with state regulator authority.

Additional considerations.

- Governance design choices made during this transitional stakeholder process will be reviewed by the ROWE Initial Board once seated. The Energy Division encourages the RA Sponsors and Work Group to design the Revised Draft Proposal in a way that identifies which governance elements the Work Group recommends the ROWE Board accept as proposed; which elements the Work Group flags for ROWE Board reconsideration; and elements which were unresolved within the Work Group.
- The interaction between the proposed TOC and the ROWE Stakeholder Review Committee (SRC) is described as “side by side” but is not yet defined operationally. The Initial Draft Proposal should specify which categories of decisions go through each body, how conflicting recommendations would be resolved, and how the public-facing stakeholder process is preserved when material decisions are made in the TOC.
- Federal Power Act Section 205¹⁰ rights are described as held by the ROWE. The Energy Division recommends the Initial Draft Proposal address how the ROWE Board would exercise that authority where the Technical Oversight Committee (TOC) and the Regulatory Advisory Group (RAG) hold divergent positions, and what state regulator input would accompany Section 205 filings.

6. Consideration Design Document #2: RA Modelling and Metrics/Resource Qualification (incl. Contracts)/Resource Performance Requirements

The Energy Division reserves the right to provide additional comments on Consideration Design Document #2 following further review. The Energy Division notes generally that resource accreditation

¹⁰ [16 U.S.C. § 824d.](#)

methodology, particularly the application of hourly exceedance values to variable and storage resources, is an area where California-specific analytical work exists and where the program design should be expected to reflect substantial input (i.e., the CPUC adopts hourly exceedance values for wind, solar, and hybrid resources in public proceedings, and the slice-of-day framework applies hourly exceedance-based counting). The Energy Division encourages the Work Group to seek alignment with state accreditation methodologies where feasible and to clearly document any divergence.

7. Consideration Design Document #3: Compliance Submittal Requirements / Load Forecasting / Transmission

Compliance Submittal Requirements.

Context: CPUC-jurisdictional LSEs make a year-ahead compliance filing each fall (late October) demonstrating 90% of their system RA obligation for the following year's summer months and 100% of their allocated local RA obligation for all twelve months; the year-ahead (YA) system showing is a binding compliance obligation. Monthly filings demonstrating 100% of system and flexible obligations are due 45 days before each compliance month. Showings are validated against supply plans filed by sellers' scheduling coordinators (SC), deficiencies are subject to CPUC citation and penalty authority, and residual shortfalls can trigger CAISO backstop procurement under the (Capacity Procurement Mechanism (CPM) with costs allocated to the deficient LSE.

- The Energy Division generally supports a two-tier annual-plus-monthly compliance structure as a reasonable framework for a regional program and agrees that the annual showing can serve a primarily informational function in the program's early years. The proposed 90% annual and 100% monthly showing levels are within a reasonable range and parallel California's YA system showing, though the Energy Division notes that California's YA showing is binding and enforceable, while the proposal's annual showing carries no consequences. The Work Group should analyze whether a purely informational 90% threshold will *actually* drive forward procurement in a voluntary program, or whether some graduated consequence (or at minimum public visibility of persistent annual shortfalls) is needed for the showing to serve its early-warning purpose.
- The proposed 60-day-ahead monthly compliance submittal warrants closer examination. CPUC RA monthly showings are due 45 days before the compliance month. A 60-day lead time is workable but creates a misalignment that could complicate dual-program participation: an LSE would file its regional showing *before* it finalizes its CPUC showing for the same month. The Energy Division encourages the Work Group to consider whether the timing of the regional monthly showing could be aligned with (or follow) state RA showings, so that LSEs can use updated state-program inputs in their regional showings. The CPUC's 45-day deadline supports the ability for new resources to participate in the RA process as soon as possible.
- The Consideration Design Document leaves substantial elements of the compliance framework (e.g., penalty levels, cure mechanisms, escalation, and treatment of force majeure, etc.) to a later determination. The Energy Division notes that the workability of these compliance elements is sensitive to unresolved questions and encourages early engagement instead of deferring to a later phase.
- The Energy Division recommends the Initial Draft Proposal address how late-emerging shortfalls (e.g., resource outages, contract cancellations, *force majeure* events) within the 60-day window would be treated, including any cure period and what backstop mechanism would apply.
- The proposal that generation Qualifying Capacity (QC) values be set by the CAISO as the Program Service Provider (PSP), while contract QC values are not PSP-determined, creates a potential gap. In California, QC values are resource-specific and published annually. A contract conveys capacity up to the resource's NQC and there is no separate, unreviewed contract-level capacity value. The Initial Draft Proposal should specify what entity reviews and approves contract QC values, what standards apply, and how a dispute over a contract's QC value is resolved. The experience of the California RA

framework has been that the CAISO and CPUC have had to closely coordinate QC value changes, as these changes have often driven by modeling insights, the evolving resource mix, and new technologies.

Load Forecasting.

Context: California's RA load forecast basis is the CEC's Integrated Energy Policy Report (IEPR) demand forecast, which is a forward-looking, scenario-based forecast updated through a public process. LSEs submit their individual load forecasts to the CEC, which reviews and adjusts them for consistency and coincidence with the managed CAISO peak; the CPUC then allocates RA obligations based on each LSE's contribution to the coincident system peak. Load modifiers such as committed EE and BTM solar are embedded in the IEPR forecast, while DR is generally credited as a supply-side resource with its own QC rules. Under the slice-of-day (SoD) framework, obligations are set on hourly load profiles for each month's worst day instead of a single monthly peak value. LSEs can provide stakeholder input into the load forecasting process and may seek load allocation revisions with adequate justification.

- The Energy Division has concerns about the proposed five-year historical lookback methodology for determining P50 coincident peak load. Five years is a short window given current rates of load growth driven by electrification, large new loads (including data centers), EV adoption, and increasingly frequent extreme weather events that distort the historical distribution. A purely backward-looking projection will systematically understate requirements given sustained load growth. The Energy Division recommends the Work Group consider: (i) a longer lookback with weather normalization; (ii) a weighted approach favoring recent years; (iii) a forward-looking, forecast-based methodology (as California uses through the IEPR); or (iv) forward-looking adjustments before the default load growth factor is applied.
- Coincident vs. non-coincident peak basis affects participant obligations. The CPUC's RA program is built around individual LSE contributions to the coincident CAISO BAA peak, and the Energy Division views it as sound in principle; however, the regional coincident peak is a broader reference point than a BAA peak. The Energy Division encourages the Work Group to publish illustrative analyses showing how individual participant obligations would shift under each scenario before settling on a methodology.
- The default load growth rate is currently unspecified. The Energy Division recommends that it be derived through a transparent methodology instead of setting administratively. The Energy Division also recommends that the Initial Draft Proposal define the standards and documentation required for participant-specific deviation, including the role (if any) of the participant's LRA in reviewing or endorsing it. The proposal might seek to incorporate the load growth forecast of state regulatory or POU load growth forecasts where available.
- Counting of Demand Response, Energy Efficiency, and behind-the-meter (BTM) Distributed Energy Resources (DER) is critical for California participants. California has substantial DR programs (emergency, along with market integrated and non-market integrated), embedded EE savings, and a large fleet of customer-sited solar and storage; in the California framework, EE and BTM solar load modifiers are embedded in the IEPR forecast while DR integrated into the CAISO energy market is credited on the supply side. The Energy Division recommends the Initial Draft Proposal address each resource class, indicate whether it reduces gross load in the forecast (the "load modifier" approach) or is credited as supply-side, and how they interact with state-program accounting. This ensures that the same demand-side action is not double counted or treated inconsistently across programs.
- Non-conforming loads (data centers, industrial loads with on-site generation, curtailable loads) are a growing concern. The Energy Division supports the Consideration Design Document's recognition that they warrant differentiated treatment and encourages the Work Group to develop a concrete methodology in the Initial Draft Proposal instead of deferring to a later phase.

Transmission.

Level of support for concepts presented.

Overall position: Support the general framework, with substantial recommendations for refinement, particularly on load forecasting methodology, handling of demand-side and BTM resources, alignment of compliance timing with state programs, and coordination of the transmission demonstration with California's MIC framework and CAISO deliverability structure. The Energy Division considers these critical to whether the program can operate with the CPUC RA program without creating adverse results.

Context: California handles deliverability differently from the contract path paradigm. Within the CAISO BAA, network transmission service applies, and a generator's RA value is based on its deliverability status: full or partial capacity deliverability is established through CAISO's interconnection deliverability assessments and reflected in the resource's NQC, so LSEs need not separately demonstrate transmission rights from generator to load. For imports, deliverability is governed by the annual Maximum Import Capability (MIC) process, which quantifies supportable simultaneous import levels at each intertie and allocates that capability among LSEs.

- The Energy Division agrees with the Consideration Design Document's recognition that transmission demonstration is the most challenging element of a regional RA program given the scarcity of firm transmission. A flexible interim framework with a longer-term direction toward firm transmission demonstration is reasonable.
- The current draft proposes demonstration of “firm, conditional firm, or Network Transmission” for a to-be-identified portion of the capacity requirement. The Energy Division encourages the Work Group to develop the specifics in the Initial Draft Proposal, including: (i) the percentage of capacity backed by each transmission category; (ii) the technical standards used to evaluate transmission paths; (iii) the treatment of dynamic transfers and pseudo-ties; and (iv) the handling of resources delivered via paths with active redispatch or curtailment risk.
- The Energy Division recommends coordination with California's MIC framework. Resources counted in this program relying on transmission into the CAISO BAA may interact with MIC allocations, while resources within the BAA shown to this program implicitly rely on CAISO network deliverability. The Initial Draft Proposal should address both to avoid double-claiming import capability or deliverability.
- The exception process for situations such as outages, derates, and pending firm transmission requests is appropriately flagged. The Energy Division recommends that, when defined in the BPM, it include defined evaluation criteria, defined turnaround times, an appeal mechanism, and reporting on the frequency and disposition of exceptions to support ongoing program evaluation.
- The Consideration Design Document notes that long-term structural reforms to contract-path transmission in the West could change the value proposition of firm transmission demonstration. The Energy Division agrees this is an important strategic consideration, and the Initial Draft Proposal should acknowledge that the transmission demonstration's design may need to evolve with broader Western transmission reforms (including any future move toward joint tariff or regional transmission planning constructs).

8. Consideration Design Document #4: Compliance Structure (incl. penalties) / Reporting & Transparency

The Energy Division reserves the right to provide additional comments on Consideration Design Document #4 following further internal review. As a preliminary matter, the Energy Division notes, consistent with Foundational Principle 9 and with California's own practice, in which RA penalties are structured by Commission decision and backstop costs follow cost causation, that penalty design should reflect cost causation and avoid exposure for circumstances outside participant control, and that reporting and transparency provisions should be adjusted to provide regulators with the information needed to evaluate program performance while protecting commercially sensitive information.

C. Spring Workshops

9. What aspects of the spring workshops were helpful? What suggestions should we consider to structure the summer workshops differently to better present material and foster open dialogue?

Helpful aspects of the spring workshops.

- Release of Consideration Design Documents in advance of each workshop allowed stakeholders to prepare and made workshop discussion more productive.
- The Work Group's transparency about which elements have Work Group alignment and which remain open is appreciated. This framing helped stakeholders calibrate the level of detail and specificity to bring to each discussion.
- The use of an independent facilitator supports a balanced process, and the Energy Division encourages continuation of this approach into the summer workshop series.

Suggestions for the summer workshops.

- Dedicate time on each agenda for state regulator perspectives to ensure that state regulatory considerations are surfaced and discussed instead of folding into the broader stakeholder discussion.
- To help stakeholders provide more focused input for each workshop, identify the specific decision points the Work Group seeks to advance, distinguished from elements being introduced for awareness.
- Consider a dedicated segment focused exclusively on interoperability with existing state RA programs. The current schedule treats interoperability as cross-cutting, but it warrants dedicated time to develop the operational protocols as committed under Foundational Principle 4.
- Provide written summaries of workshop discussions, including a summary of comments raised and the Work Group's preliminary disposition or follow-up plan. This creates a transparent record and helps stakeholders track how their input is being incorporated.
- Extend or stagger written comment deadlines for the summer workshops to accommodate the complexity of the Initial Draft Proposal. A unified comment deadline shortly after the last summer workshop may not allow sufficient time for considered written responses.

D. Other

10. Please use this section to provide any additional feedback not covered in the sections above.

- **Coordination with parallel CPUC proceedings.** Several active CPUC proceedings address RA, IRP, and related topics. The Work Group is encouraged to monitor and engage to maintain alignment.
- **Coordination with the California Energy Commission (CEC).** The CEC's Integrated Energy Policy Report (IEPR) demand forecast is the established basis for California IOU planning and CPUC RA. Any load forecasting methodology the regional program adopts should be developed with awareness or coordination with the IEPR process and with CEC staff input on methodology.
- **Coordination with the CAISO.** Beyond CAISO's prospective role as PSP, the program will rely on CAISO market data, EDAM/WEIM operational systems, and CAISO's transmission infrastructure. The Energy Division encourages early engagement with CAISO leadership and Market Operations staff on the operational feasibility of program design elements, particularly those involving data flows and modeling, and on any tariff amendments the program would require of CAISO as a PSP.
- **Engagement with affected California LSEs.** Even if no CPUC-jurisdictional LSE elects to participate at launch, design options made now will affect future participation. The Energy Division encourages the Work Group to actively engage California LSEs, including IOUs, CCAs, and ESPs.
- **ROWE Board engagement.** The Energy Division encourages the RA Sponsors to brief the ROWE Initial Board promptly upon its seating, and to structure the handoff from the Work Group to the ROWE in a way that gives the ROWE Board room to shape the program.



The Public Advocates Office’s Informal Comments on EDAM-aligned RA

Submitted by	Organization	Date Submitted
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I. INTRODUCTION

In response to the Resource Adequacy (RA) Sponsors’ and Work Group’s¹ May 26, 2026 request,² the Public Advocates Office at the California Public Utilities Commission (Cal Advocates) submits these informal comments regarding the resource adequacy (RA) workshops conducted April 28, 2026 through May 26, 2026, and the EDAM-aligned RA program. While load-serving entities (LSEs) under the jurisdiction of the California Public Utilities Commission (CPUC) will not directly participate in this program, Cal Advocates comments address seams between the EDAM-aligned RA program and the CPUC’s RA program, as these seams can increase costs and harm reliability in ways that are ultimately costly to ratepayers.

Cal Advocates provides the following recommendations:

¹ The “RA Sponsors” and “Work Group” entities are made up of extended day-ahead market (EDAM) balancing authority areas (BAAs) and EDAM-leaning BAAs. *Resource Adequacy Program Overview Document*, April 27, 2026 at 2. Available as “Program Overview Document” at: <https://rowesternenergy.org/regional-resource-adequacy>.

² Work Group, *EDAM Resource Adequacy Workshop #5: Transmission, Compliance Structure, Reporting and Transparency*, May 26, 2026 at 22. Available as “Workshop #5 Slides” at: <https://rowesternenergy.org/regional-resource-adequacy>.

- The EDAM-aligned RA program should establish a must offer obligation (MOO) for resources.
- The Work Group should provide multiple reliability metrics for the EDAM-aligned RA program.
- The Work Group should carefully consider what constitutes a modeled loss of load event.
- If the EDAM-aligned RA program includes accreditation procedures that account for outage rates, the calculation should use a broad definition of applicable outages.
- Stakeholders should evaluate the incentives created by accreditation that differ between the EDAM-aligned RA program and the CPUC’s RA program.
- The EDAM-aligned RA Program should include a regular public report.

II. DISCUSSION

A. The EDAM-aligned RA program should include a MOO for resources.

The requirement for RA resources to be available to the California Independent System Operator Corporation’s (CAISO) markets is an important characteristic of the CPUC’s RA program. The MOO is a critical tool for bridging the gap between the CPUC RA program’s planning timeline and the EDAM market operations timeline. A MOO requirement for RA resources shown by participants in the EDAM-aligned RA program would help align policy and ensure that these resources have similar expectations with resources shown by participants in the CPUC’s RA program and other RA programs within the CAISO BAA.³

Some EDAM market participants are vertically integrated in the sense that the balancing authority is the scheduling coordinator for certain resources.⁴ EDAM charges resource sufficiency evaluation (RSE) penalties to balancing authorities that do not provide enough resources to the EDAM market to help ensure daily reliability.⁵ In the case where the same

³ CAISO’s MOO and RA availability design are laid out in its Tariff at sections 40.6 through 40.10. Available as “Section 40 - Resource Adequacy Demonstration for Scheduling Coordinators in the CAISO Balancing Authority Area as of Nov 19, 2025” at: <https://www.caiso.com/legal-regulatory/tariff>.

⁴ For example, PacifiCorp is both an EDAM-participating BAA and a scheduling coordinator. CAISO, *List of Certified Market Participants*, February 2, 2026 at 23. Available as “List of Certified Market Participants” at: <https://www.caiso.com/library/certified-scheduling-coordinators>.

⁵ CAISO Tariff section 33.31.1. Available as “FERC-Approved Tariff Language - Extended Day-Ahead Market and Day-Ahead Market Enhancements” at: <https://stakeholdercenter.caiso.com/StakeholderInitiatives/Extended-day-ahead-market>.

entity is responsible for a resource's bids and pays any RSE penalty, a MOO for the resource may be unnecessary. This is because the RSE provides a strong incentive for that kind of vertically integrated operator to ensure their own resources are available to the market.

B. The Work Group should report multiple reliability metrics for the EDAM-aligned RA program.

The Work Group plans to use loss of load expectation frequency as the primary measure of reliability.⁶ The analysis the Work Group conducts should report additional measures such as normalized expected unserved energy. Each reliability metric provides an imperfect summary of the model's results. Stakeholders can use a variety of metrics to develop a robust understanding of the model results, such as the magnitude of potential load-shed events.

C. The Work Group should carefully consider what constitutes a modeled loss of load event.

Grid reliability modelers make important decisions about which resources to include and what conditions constitute a loss of load event. For example, CAISO's existing modeling states that a loss of load event occurs when an operator would need to take emergency measures, such as calling on strategic reliability resources.⁷ The Western Resource Adequacy Program defines a loss of load event as an event "where capacity is inadequate to meet load plus contingency reserves."⁸ The definition of what constitutes a modeled loss of load event in reliability modeling is a meaningful policy decision that the Work Group should carefully consider.

D. If the EDAM-aligned RA program includes accreditation procedures that account for outage rates, the calculation should use a broad definition of applicable outages.

During the May 19, 2026 presentation, Stefan Cristea noted the Work Group's plan to incorporate outages using outage data.⁹ The Work Group should decide which, if any, outage

⁶ Work Group, *EDAM Resource Adequacy Workshop #3: Modeling and Metrics; Resource Qualification Requirements*, May 19, 2026 (Workshop #3 Slides) at 19. Available as "Workshop #3 Slides" at: <https://rowesternenergy.org/regional-resource-adequacy>.

⁷ California Energy Commission, *Summer Energy Reliability Workshop*, May 5, 2026 at 93. Available as "Combined Slide Deck - 2026 Summer Energy Reliability Workshop" at: <https://www.energy.ca.gov/event/2026-05/summer-energy-reliability-workshop>.

⁸ Western Power Pool, *Western Resource Adequacy Program Detailed Design*, March 10, 2023 at 51. Available as "2023 Detailed Design Document" at: <https://www.westernpowerpool.org/resources/2023-detailed-design-document>.

⁹ Workshop #3 Slides at 16.

types to exclude in the unforced capacity (UCAP) measure. The EDAM-aligned RA program should use a standard that asks “Could this outage happen again?” rather than “Is this outage the fault of the resource operator?”. As Cal Advocates stated in recent comments in the CPUC’s RA proceeding:¹⁰

First, “Could this outage happen again?” is an accurate assessment of the resource’s contribution to grid reliability, and therefore an appropriate measure for the [CPUC] to employ. Second, there are some types of outages that may not be the result of poor maintenance and operations but may have been mitigatable by resource design such as technical characteristics that can mitigate risk of outage. A UCAP policy that incentivizes both margins – good operation and good design – contributes to a reliable grid more robustly than a policy that focuses narrowly on who is at fault for an outage.

E. Stakeholders should evaluate the incentives created by accreditation that differs between the EDAM-aligned RA program and the CPUC’s RA program.

The EDAM-aligned RA program and the CPUC’s RA program each determine their own capacity accreditation rules and it is possible that individual resources or classes of resources receive meaningfully different capacity values between these programs. Divergences in accreditation may create incentives to arbitrage differences in ways that do not improve reliability. Instead, these arbitrage trades would allow participants to claim resources wherever they receive the highest accreditation, resulting in trading activity that would not occur except for the accreditation difference.

However, it is reasonable to expect that different conditions will lead to different accreditations. Varying geographic and weather conditions may affect the reliability contribution of a resource and warrant accreditation methods that consider those conditions.¹¹

¹⁰ Cal Advocates, *Comments of the Public Advocates Office on Track 1 Proposals*, March 6, 2026 at 21; filed in Rulemaking (R.) 25-10-003, *Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Reforms and Refinements, and Establish Forward Resource Adequacy Procurement Obligations*. Available at: <https://docs.cpuc.ca.gov/PublishedDocs/Efile/G000/M601/K896/601896046.PDF>.

¹¹ For example, drought conditions may impact the Pacific Northwest differently than California or the Desert Southwest. Also, wind and solar output typically diverges on a regional basis; the CPUC’s RA program develops a unified accreditation approach for those resources but uses data inputs specific to resource technologies (such as fixed versus 2-axis tilting solar panels) and geographic area. Decision 23-04-010, *Decision on Phase 2 of the Resource Adequacy Reform Track*, April 7, 2023 at A-4; issued in R.21-10-002, *Order Instituting Rulemaking to Oversee the Resource Adequacy Program, Consider Program Reforms and Refinements, and Establish Forward Resource Adequacy Procurement Obligations*. Available at: <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M505/K753/505753716.PDF>.

While solutions may be complex, stakeholders should consider these types of incentives when evaluating accreditation options.

The Regional Organization for Western Energy (ROWE) RA panel at the 2026 California Community Choice Association (CalCCA) conference discussed accreditation divergences.¹²

The panel noted that transmission constraints modeled by each RA program may limit opportunities for program participants to arbitrage accreditation differences. While this is true, it also means that arbitrage transactions could crowd out economically useful trades from one area to another.

F. The EDAM-aligned RA program should include a regular public report.

During the meeting on May 26, 2026, stakeholders discussed providing a regular report – annual or more frequent – on the EDAM-aligned RA program. The Work Group should publish this report promptly after a compliance period passes and should include RA procurement price information. Public information regarding aggregated procurement prices is useful to track market trends and evaluate differences between the EDAM-aligned RA program and the CPUC’s RA program. A publication cadence that closely follows the end of a compliance period would allow stakeholders to make decisions based on recent price information. The Work Group should evaluate whether aggregated procurement price information is market sensitive.

III. CONCLUSION

The new EDAM-aligned RA program should consider several policy designs, as detailed above, to minimize seams and allow for a robust program design.

Contact Karl Dunkle Werner at karl.dunklewerner@cpuc.ca.gov with any questions or input on these comments.

¹² CalCCA 2026 Conference, *On the ROWE Again: Mapping a New Western Resource Adequacy Framework*, May 14, 2026.

Stakeholder Comment Template

Program Overview Document, Consideration Design Documents, and Spring Workshops

Submitted on behalf of: LADWP

Date: June 17, 2026

Introduction and Summary

LADWP appreciates the opportunity to comment on the EDAM Resource Adequacy (RA) program. LADWP's comments focus on the following areas:

- Governance: Ensure Public Power representation within the Regulatory Advisory Group along with Body of State Regulators' representatives for participating states in the program (BOSR subset), and a backstop mechanism to strike a balance in terms of cost effectiveness, given the capital investments required to comply with the RA Program and the compliance obligation borne primarily by LSEs.
- Program Design: Given the significant interdependencies among various design elements, the stakeholder process will benefit from a detailed straw proposal that provides a robust framework for further discussions.
- Transmission: LADWP supports demonstration of firm, conditional firm or network transmission service from generation to load, particularly given the evolving conditions of the Western Interconnection. Any waiver construct must not compromise program integrity and reliability.

A. Program Overview Document

1. Foundational Principles: are there any foundational principles missing or any adjustments needed that should be considered for incorporation into the Initial Draft Proposal?

LADWP supports the proposed principles.

2. Are there any Key Design Elements missing that should be added into the Initial Draft Proposal?

Given the significant interdependencies among various design elements, the stakeholder process would benefit from a detailed straw proposal. Providing such framework would not presuppose design outcomes but would aid in conceptualizing the overall program and facilitate informed stakeholder discussions.

3. Are there any other additional foundational questions that should be explored when drafting the Initial Draft Proposal?

LADWP requests additional information regarding the operational framework of the EDAM RA program. Better clarity regarding program implementation would help stakeholders assess the program's value proposition and evaluate whether EDAM participation should be a prerequisite.

4. Please provide any additional feedback you would like to share regarding the Program Overview Document.

B. Consideration Design Documents

5. For Consideration Design Document #1 (Governance): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

LADWP supports a Governance structure that builds upon the existing ROWE framework, with specific modifications to reflect the unique characteristics presented by a regional Resource Adequacy program. Unlike traditional market services, the EDAM RA program imposes significant capital investments and has a direct impact on customer rates. Accordingly, appropriate Public Power representation within the Regulatory Advisory Group along with Body of State Regulators' representatives for participating states in the program (BOSR subset) is warranted, particularly if that group were to assume responsibilities beyond its existing advisory role.

Additionally, as LSEs bear primary responsibility for compliance and are subject to any associated compliance measures, the governance framework should include appropriate checks and balances to ensure that entities funding the program through their customers have a meaningful avenue for oversight and recourse.

6. For Consideration Design Document #2 (RA Modelling & Metrics/Resource Qualification (incl. Contracts)/Resource Performance Requirements): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

7. For Consideration Design Document #3 (Compliance Submittal Requirements/Load Forecasting/Transmission): provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

LADWP supports requiring the demonstration of firm, conditional firm or network transmission service from generation to load, particularly given the evolving conditions across the Western Interconnection. While LADWP recognizes that there are challenges associated with procuring firm transmission service, especially in the Pacific Northwest, any accommodation for those constraints must not compromise program integrity and reliability.

8. For Consideration Design Document #4 (Compliance Structure (incl. penalties)/Reporting & Transparency): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

LADWP recognizes that the program compliance and penalty framework will be among the most challenging aspects of the EDAM RA Program design. While LADWP appreciates the need for mechanisms that encourage or incentivize timely resource development and investment, it does not support a construct under which entities pay penalties without corresponding reliability benefit or a clear path for achieving compliance. Accordingly, LADWP supports the development of compliance tools, such as a bulletin board and bid range trading platform, as originally contemplated in the EDAM RSE Design Documents, to provide entities with additional options to meet their compliance obligations. In terms of any backstop procurement mechanism, LADWP would benefit from additional details regarding the design.

Finally, reporting requirements should be narrowly tailored to support the program administration and oversight and should include safeguards to ensure protection of commercially sensitive data.

C. Spring Workshops

9. What aspects of the spring workshops were helpful? What suggestions should we consider to structure the summer workshops differently to better present material and foster open dialogue?

LADWP supports deferring governance discussions until additional program design details have been developed.

D. Other

10. Please use this section to provide any additional feedback not covered in the sections above.

Date: June 17, 2026

To: EDAM Resource Adequacy Sponsors and Work Group

From: Resource Adequacy Advisory Group (RAAG) and Body of State Regulators (BOSR), facilitated by the Western Interstate Energy Board (WIEB)

Re: Initial Comments on the EDAM Resource Adequacy Program Overview Document, Consideration Design Documents, and Spring Workshops

Submitted to: resourceadequacy@rowesternenergy.org

I. Introduction

The Resource Adequacy Advisory Group (RAAG) was established on a temporary basis by the Western Interstate Energy Board (WIEB) to facilitate state input as the California Independent System Operator Extended Day-Ahead Market (EDAM) entities develop a resource adequacy (RA) program proposal. The RAAG draws on members of the Body of State Regulators (BOSR) and Committee of State Representatives (COSR).¹ The BOSR will take up the RA program proposal formally when the proposal is submitted to the Regional Organization for Western Energy (ROWE). In the meantime, the RAAG is tasked with helping the BOSR and other state representatives be informed and engaged as the proposal develops, and with preparing initial feedback.

These comments represent the RAAG's initial perspectives on the Program Overview Document, Consideration Design Documents, and spring workshop series, and are supported by the BOSR. Each state has different laws, rules, and circumstances, and nothing in these comments prevents individual states from submitting comments separately. The RAAG expects to continue engagement through summer workshops and anticipates providing additional comments as the proposal develops.

II. Support for Process Changes

The RAAG welcomes the decision to slow down the process and continue to engage with states and stakeholders on complex design considerations through a summer workshop series before releasing an Initial Draft Proposal. Taking additional time for stakeholder engagement before sharing a full draft communicates a willingness to adapt the group's initial thinking.

¹ The RAAG is chaired by Chair Letha Tawney (OR PUC) and its members are Commissioner Darcie Houck (CA PUC), Commissioner Milt Doumit (WA UTC), Commissioner Dayn Hardie (ID PUC), and Commissioner Pat O'Connell (NM PRC). RAAG meetings also have had participation from the AZCC, NV PUC, UT PSC, and WY Energy Authority.

The RAAG also notes that RA planning and procurement work proceeds at the state and load serving entity (LSE) level regardless of this program's development timeline. States are actively managing near-term reliability challenges and medium-term planning, and are not waiting on a regional program to address them.

III. State Context and Value Propositions

A. Context

Electric reliability is a core, shared value for states — and one that must be pursued in balance with other pressing priorities. Notably, affordability has become a significant and growing concern across the country at the same time as load growth, interconnection, and supply chain constraints have challenged procurement.

State regulators have a unique role in RA. Since state regulators are responsible for ensuring safe, reliable, and affordable electric service, they are uniquely positioned to weigh the tradeoffs between affordability and reliability. This means, for regulated entities that choose to join a regional RA program, that state regulators bear accountability to consumers and political leaders for rate and reliability outcomes without directly controlling the program's compliance obligations and the procurement and costs it may drive. Successful program implementation over the long term depends on gaining and maintaining the confidence of state regulators.

The RAAG recognizes that the existing programs in the region—WRAP and California's RA program—are not identical to each other. For example, CA's RA Program is administered directly by the CPUC, who also enforces the penalties, whereas WRAP is multi-jurisdictional and administered by an independent entity with penalties enforced by the participants. Their formation required significant design work that reflects the conditions and priorities of participants and stakeholders at the time they were formed, and involves continual updating of the design through their respective program governance procedures as the context changes. While those programs offer experience to draw from, the development of a new program provides states an opportunity to revisit foundational questions and consider design choices while considering the extraordinary strain on customer bills and rapid load growth.

B. Program Value Propositions

The RAAG encourages the Work Group to be explicit about what the program is designed to deliver and to plan from the outset how success in achieving those outcomes will be demonstrated. The RAAG prioritizes the following key value propositions, which should guide program design and should be testable throughout use of the program.

1) Visibility into and improvement in overall regional reliability position

A regional RA program should help the region understand and avoid collective action problems with consequences for individual states and the region as a whole. Individual entities planning independently cannot produce a coordinated regional picture. A program that creates and shares a regional picture based on a common methodology is valuable in itself. To improve regional reliability and reduce the risk of supply related outages in the West, a program should also motivate load serving entities to take cost-efficient procurement action to close RA gaps.

2) Demonstrable customer benefit: better reliability at lower costs

Incremental program costs must be balanced against demonstrated benefits; maintaining that balance is essential to state regulators' ability to trust and support the program over time. The program should be designed to deliver on three related core value propositions: better information to support state resource planning decisions and Integrated Resource Plan (IRP) processes; lower procurement costs to achieve reliability levels approved by the program methodology than if entities were planning to that standard themselves; and improved ability for participants to meet their operational reliability obligations under EDAM's daily Resource Sufficiency Evaluation (RSE).

The program should be designed with ongoing, data-supported demonstrations of these value propositions. In addition to these core value propositions, the program should be designed to:

- Increase the resources available to the EDAM by making the resources procured for RA available to the EDAM market, thus lowering energy costs.
- Support interoperability with other RA programs, avoid impairment of currently functioning programs, and create long-term potential to improve alignment and further lower costs through diversity sharing.
- Help states with independent LSEs inside EDAM BAs exercise meaningful RA regulatory accountability to the LSE level, through design and operation that can work for differently situated entities.
- Send a clear investment signal through stable, reasonable resource accreditation that helps the market understand what resources are needed.

IV. Summary of Key Policy Issues

A. Governance

1) State role

State regulators have a unique accountability relationship to RA programs, as they are held responsible for the performance of regulated utilities and the reliability and

affordability of service to customers without being market participants. This accountability without direct control is the reason that advisory-only governance structures is most likely insufficient for this program: the appropriate level of state authority in governance should be commensurate with the consequences that program design choices have for state regulatory decisions about RA and procurement.

A state regulator's relationship to an RA program that forces procurement may be different than its relationship to a regulated entity's participation in energy imbalance and day-ahead markets; in the markets, negative economic outcomes can be avoided by resource procurements that only operate when market clearing prices are the same or higher. There is low risk that market outcomes will be more costly than operating as an isolated utility. With a regional resource adequacy program that has a fixed forward showing requirement, however, states lose procurement authority – dramatically impacting both quantity and timing choices, as well as some technology choices, and limiting flexibility of the consequences to retail customer rates.

There are various ways to address states' authority for resource adequacy in regional programs. For example, in SPP, the states determine the planning reserve margin, and SPP makes 205 filings for the states pertaining to resource adequacy. In MISO, states do not have complementary Section 205 rights, but retain regulatory authority to set a minimum seasonal PRM for state-jurisdictional LSEs that is lower or higher than the MISO established PRM. In WRAP, states have several paths to comment on program design requests and a path for bringing their concerns directly to the board, as well as a role in the nominating committee of the board. The RAAG is not advocating a specific governance structure at this stage, but all options should remain on the table.

The RAAG understands that significant effort was made on governance through the Pathways Initiative; however, the addition of new program elements like resource adequacy may require additional roles or authorities for the BOSR as even a program that is voluntary to join will force procurement decisions if the program requires a level of procurement to meet a resource adequacy requirement not set by state regulators, and may also impose mandatory charges that would otherwise have been in the core function and jurisdictional purview of state regulators. Maintaining state regulator engagement with the program could avoid surprises when procurement decisions motivated by the program reach state commissions.

Ultimately, the appropriate governance structure for this program cannot be determined until more of the program's design elements are known. Governance structure and program design choices are interdependent, particularly around transparency provisions, penalty structure, and exit provisions. The RAAG recommends that the state role in the governance structure not be finalized until those design elements are more fully developed and requests a governance workshop once they are.

2) Other governance considerations

As program design proceeds, states may have perspectives on governance considerations other than the state role in the program's governance structure. For example, the RAAG encourages the Work Group to give due consideration to stakeholder comments regarding how the creation of a Technical Oversight Committee (as distinct from a Technical Advisory Committee) intersects with decisions already made in the Pathways process. Also, the RAAG encourages proactive development of structures and timelines for evaluating program changes, which are particularly important in RA programs as resource characteristics, modeling best practices, and the overall reliability context changes rapidly. In general, governance structures that draw on the range of stakeholders who also participate in related state planning and procurement processes will help support ongoing engagement and alignment for regional efforts.

States would also request more discussion on the need to create an advisory group that includes a public power sector representative, given the diversity of their interests and jurisdictions. The BOSR currently includes up to three liaisons from a federal power marketing administration and consumer-owned utilities that serve in an advisory role, so it is unclear why another advisory representative would be needed, particularly given that public power entities are also market participants and would be represented on the proposed Technical Oversight Committee.

B. Information and Transparency

Data access is foundational to state trust in this program. States cannot verify that program value propositions are being achieved without access to the underlying data, with appropriate translation to ensure that the information to be drawn from the data is accessible and responsive to the questions that states have. The RAAG recognizes that this is not a simple issue, and that structures for appropriate data, translation to communication materials, and protection for proprietary information will take time to develop. At this point, the RAAG wishes to emphasize that the EDAM RA program should treat transparency as a design objective from the start, with data infrastructure and communications materials planned accordingly — not as an ad hoc request to be added after the fact.

The RAAG requests the following as baseline data access provisions: RA program-level LOLE analysis and detailed resource accreditation as a program output, available to all regulators and potentially made public after further discussions are had around what data should or should not be disclosed while protecting state confidentiality rules; regulated participant-specific hourly load and resource data during critical events (periods of lost load or near-lost load), shared with the participant's state regulator; and

full participant data access for state regulators, subject to appropriate nondisclosure agreements.

The RAAG requests a dedicated summer workshop on data production, sharing, and access protocols — including what outputs the LOLE study should generate, what data can and should be shared with participants and regulators, and how commercially sensitive data can be protected without compromising meaningful transparency. The RAAG notes that several topics may need to be covered in the same workshop, as, for example, the LOLE study should be developed in tandem with the Qualifying Contribution (QC) methodology to reveal the PRM, along with the load forecast and other inputs.

The RAAG notes that transparency provisions and governance structure are connected. More robust data access may reduce the level of formal state authority in governance structures needed to protect state interests. Both should be developed together.

Once the program is developed, the participants of the EDAM RA program should work with other regional RA programs to develop a cross-walk between the programs for definitions and methodologies to help build a common understanding between the programs.

Questions for future workshops:

- What information can be provided from the program and the LOLE study to allow participants and state regulators to estimate participant program benefits?
- How can information from the program and the LOLE study be used to inform participant IRP and procurement efforts? In particular, what information would be needed from the program to translate program benefits into regional availability assumptions in utility IRP resource adequacy analyses?
- How can states better understand and track regional accreditation study findings as they engage in IRP RA analyses and resource procurement?

V. Initial Perspectives

A. Reliability Standard and Resource Accreditation

One risk of moving to a regional RA program is that, while it is hoped that planning together will lower incremental reliability needs and costs, the reality is that joining could require individual states and their regulated entities to procure more resources than they would need to meet their own individual reliability needs, even when planning to the same reliability standard. Fundamentally, regulators protecting consumers' interests must be persuaded of the regional program's ability to deliver comparable or lower procurement costs than entities would incur planning to the relevant standard themselves.

A regional Planning Reserve Margin (PRM) designed with internal consistency may be able to address these concerns directly. For example, if QC values attributed to resources do not reflect the same resource performance assumptions as the LOLE study the program will not achieve its value proposition – burdening customers with unnecessary and costly over procurement or undercasting the reliability risk and eroding customer benefits. At this stage, the RAAG is not making an inherent argument against the regional PRM approach, but is assuming that more information and modeling may demonstrate that the regional PRM approach can work well for all participants without requiring structural departures from that framework. Regardless of how the PRM is set, consistency with QC values is also fundamental.

As an alternative, the Work Group could explore whether state regulators should have a key role in developing the PRM, or if each individual state should be allowed to determine its own PRM that would then be incorporated into a regional PRM. One of the tradeoffs to allowing individualized PRMs is that, while perhaps not as robust a risk reduction, it may allow states face regionally unique reliability risks to appropriately balance affordability with reliability for their customers while allowing more transparency into the regional picture of market liquidity and overall risk in regionally stressed times.

Questions for future workshops:

- How does the proposed PRM/QC methodology help to send accurate investment signals for new resource development while ensuring that participant obligations do not exceed their individual resource needs? Toward these ends, are the QCs intended to reflect average ELCCs, marginal ELCCs, or some combination/hybrid? What role should states have in determining PRM, QC methodology, ELCC usage, and LOLE studies?
- What is the justification for adopting different methodologies for QCs across different technologies, rather than using the LOLE study to calculate ELCCs for all resource types? What analysis can be provided to assuage concerns around fairness across resources and across participants with very different resource portfolios?
- In setting monthly obligations and monthly QCs, what is the intended risk allocation across months? How does the program design support this intended risk allocation and what are the implications for participants with different monthly risk profiles?
- How will the LOLE study and QC calculations consider risks not raised in prior workshops, including fuel supply risk/treatment of firm fuel supply contracts, weather-driven outage risk, and narrowing maintenance windows due to load growth and extreme weather?

B. Operational Program

The workshop presentations have focused almost exclusively on the year-ahead and month-ahead forward showing. However, the program's ability to increase resources available to the EDAM (and thereby lower energy costs in the days and hours ahead of a stress event) and to improve participants' ability to meet their RSE obligations both depend on resources claimed for RA compliance actually being available to other program participants when they need them. The RAAG encourages the EDAM Resource Adequacy Work Group to explore ways to improve cost efficiencies through methods that require the energy committed for RA purposes be available to support program participants when needed without unnecessarily increasing costs. Otherwise, both value propositions remain theoretical.

The RAAG recognizes this requires design work that may not yet have been done and recognizes that this intersection with the operational time frame raises complexities that may impact EDAM and thus need to be explored in a later stage of implementation. The RAAG thinks that the question of how the program bridges its planning and operational functions should be given consideration in the foundational design stage.

Questions for future workshops:

- Is an operational program necessary to ensure regional RA benefits can be realized for EDAM participants facing the RSE?
- How might an operational program be designed to leverage RA program benefits to reduce participant RSE charges?
- Are changes to the EDAM tariff necessary to implement an operational program or can resource sharing prior to the RSE be accomplished without changes to the EDAM tariff?
- What mechanisms, if any, are needed to ensure capacity counted toward RA compliance is not relied upon simultaneously to satisfy other obligations?

C. Transmission

The RAAG encourages further exploration into whether a blanket firm transmission requirement within the EDAM footprint is the right tool for addressing deliverability. Such a requirement could unnecessarily limit which resources count toward RA compliance, raising procurement costs without a commensurate reliability benefit. If the RA program's transmission requirements are more stringent than what the RSE demands for internal resources, the additional constraint should be explained and justified.

The RAAG encourages the Work Group to explore more flexible approaches, such as loosening transmission requirements in areas where deliverability is not an issue. This could potentially help preserve the cost efficiency that is central to the program's value

proposition for states. To protect against the most significant deliverability risks while bolstering investment signals for new transmission development where it would improve regional reliability, the program may also consider a deliverability analysis within the EDAM footprint that informs resource QCs (e.g., derating resources located in specific zones based on the findings of a deliverability analysis). To be clear, the goal is to incentivize efficient use of the transmission the region already has and highlight the most significant constraints, not to suggest that further transmission investment is unnecessary.

Questions for future workshops:

- How can transmission requirements be designed to enable resource sharing prior to the RSE? Would alignment with the RSE transmission requirements enable lower cost compliance without eroding reliability?
- How can transmission requirements be designed to reflect transmission constraints within the EDAM footprint to accurately capture project risks and send transmission investment signals that support resource adequacy? What value might a deliverability analysis that informs resource QCs offer to program participants?
- What are the pros and cons of requiring firm transmission, and what other tools could be used?
- How will transmission requirements of this program impact other EDAM participants not in the RA program, and transmission rights holders not participating in either EDAM or the ROWE/EDAM RA program?

VI. Areas for Further Dialogue

A. Penalties and Accountability

The workshops have not taken a firm view on penalty structure. The relationship between program-level penalties and the consequences participants already face for RSE deficiencies needs to be better understood before a penalty design can be evaluated fairly. There could be value in a common enforcement mechanism if there is enough comfort that the mechanism is fairly designed to encourage compliance without adding additional undue costs on top of the cost of resource procurements.

If a penalty structure is implemented, it should provide a clearer understanding of what the program requires of participants and what it delivers and a clear explanation of what behavior penalties are intended to motivate. The program should explore both penalties and incentive-based alternatives, such as the direct incentive for compliance if access to pooled resources before the RSE is conditioned on meeting RA obligations.

The RAAG also notes that state regulators already hold penalty authority and authority to deny rate-basing of resources over regulated entities, which might serve as a flexible programmatic feature in an early program phase. This approach would allow the program to begin delivering regional visibility and planning coordination without requiring early agreement on a uniform penalty structure that may prove difficult to design equitably or that may deter participation before the program has had an opportunity to demonstrate its value. An option to explore could include allowing states and local authorities to determine the RA obligation and to establish the penalties and enforcement for failing to meet the obligation—the regional program could then share information and/or provide uniform accounting. How much authority states retain over penalties and resource decisions will directly influence what the governance structure should look like for a regional RA program.

Questions for future workshops:

- How would compliance penalties contribute to or erode the value proposition of the program?
- What alternatives to penalties are available to incentivize participants to meet their obligations? Could an opportunity to share resources prior to the RSE serve this purpose?
- What is the relationship, if any, between RA program penalties and RSE charges?

B. Accuracy and Consistency of Investment Signal

One potential value proposition of a regional RA program is a clear forward signal for investment. WRAP's move toward setting the regional PRM five years ahead, for example, is meant to give load-serving entities sufficient lead time to plan procurement and investment decisions around a known regional reliability target. A stable, longer-horizon obligation also supports state regulators approving or acknowledging resource procurements, which need to understand what regional commitments their regulated entities will be expected to meet well before the compliance period arrives.

The tradeoff is that a longer forward horizon makes the program less responsive to changing conditions between the time the PRM is set and the compliance period. A standard calibrated accurately today may be miscalibrated by the time of the forward showing, potentially requiring more or less procurement than actual system needs would warrant and leaving the program slow to respond to emerging reliability challenges. If the program timelines are longer and more focused on generating a timely investment signal, thinking about where the program will place the risk of load forecast uncertainty is particularly important in today's context of very large load uncertainty.

The RAAG believes the appropriate balance between forward-horizon stability and responsiveness to changing conditions warrants dedicated discussion in the summer workshops, including how the cadence of LOLE study updates interacts with the forward compliance signal and what mechanisms might allow the program to adapt without undermining the investment certainty that participants and the market need.

Questions for future workshops:

- How frequently should the LOLE study be updated to reflect changing conditions?
- What time frame(s) will be examined in the LOLE study? Can analysis over longer time frames (e.g., five years) be provided informationally to inform planning and procurement efforts, while maintaining flexibility to refine obligations and QCs as each binding period approaches?

VII. Conclusion

The RAAG looks forward to continued engagement through the summer workshop series and anticipates providing additional comments as the proposal develops. The RAAG is particularly interested in seeing future workshops on the program's value propositions, reliability standards and accreditation, and transmission. The issues raised here are consequential for state regulators and their regulated entities, and the RAAG is committed to constructive participation in the design process as the BOSR prepares to take up its formal role when the proposal is submitted to the ROWE Initial Board.

Respectfully submitted this 17th day of June, 2026,

/s/ Letha Tawney
Letha Tawney
Chair, Oregon Public Utility Commission
Chair, Resource Adequacy Advisory Group

/s/ Gabriel Aguilera
Gabriel Aguilera
Chair, New Mexico Public Regulation Commission
Chair, Body of State Regulators

Stakeholder Comment Template

Program Overview Document, Consideration Design Documents, and Spring Workshops

Submitted on behalf of: Western Power Trading Forum (WPTF)

Date: June 2026

Introduction and Summary

WPTF appreciates the RA Sponsors and Work Group for initiating a public stakeholder process to develop a voluntary, EDAM/WEIM-aligned Resource Adequacy (RA) program. WPTF supports continued regional coordination on RA and agrees that a durable program should improve reliability, provide transparent capacity counting, and work in concert with wholesale energy and ancillary service markets.

WPTF comments focus on the need to preserve competitive market participation and avoid rules that inadvertently favor load-serving entity (LSE) program participants over independent generators, marketers, and other RA suppliers. An effective RA framework will depend on both buyers and sellers of RA capacity. The Initial Draft Proposal should therefore include a meaningful role for RA sellers in program design and should ensure that resource eligibility, contract eligibility, verification, performance, transmission, and compliance rules are based on objective product and resource attributes rather than the identity of the seller.

WPTF highlights five overarching recommendations:

- The foundational principles should expressly preserve competitive bilateral markets, customer choice, and non-discriminatory treatment of LSE-owned and market-purchased resources.
- The governance structure should provide independent ROWE Board oversight while creating a meaningful technical role for RA sellers and suppliers, not only LSE program participants.
- WSPP Schedule C and other firm power/capacity products should be evaluated under uniform, product-based standards that apply equally to all sellers.
- Transmission and deliverability demonstrations should be based on a regional connectivity and constraint analysis, with a flexible interim framework, rather than a blanket firm-transmission percentage.
- Compliance, penalties, backstop procurement, and reporting should promote market-based outcomes, protect confidential commercial information, and avoid unnecessary transaction and administrative costs.

A. Program Overview Document

1. Foundational Principles: are there any foundational principles missing or any adjustments needed that should be considered for incorporation into the Initial Draft Proposal?

WPTF Response:

WPTF generally supports the proposed foundational principles, including the concepts of common capacity counting, reliability, voluntary participation, interoperability with existing RA programs, non-discriminatory treatment, and cost-causation-based accountability. WPTF recommends several clarifications and additions for the Initial Draft Proposal.

- Add an explicit principle preserving competitive bilateral markets. The program should promote competition, customer choice, transparent price formation, and the ability of participants to rely on market-purchased resources on comparable terms with owned resources.
- Strengthen the non-discrimination principle to address seller identity. Eligibility should turn on the capacity product, resource characteristics, deliverability, accreditation, and performance obligations - not on whether the seller is itself an LSE or a program participant.

- Add a principle recognizing the role of RA sellers. Although compliance obligations may fall on participating LSEs, the program will directly affect independent generators, marketers, and suppliers whose resources and contracts are used for compliance. Those entities should have a meaningful role in technical development, governance input, and implementation details.
- Add a principle requiring interoperability and anti-double-counting rules. The program should work alongside CAISO RA, WRAP, SPP's RTO RA framework, state/local RA frameworks, EDAM, and WEIM without creating duplicative obligations or conflicting operating requirements. And resources within this Regional RA program should be able to participate in/offer supply to other RA programs operating in the West.
- Add a principle protecting confidentiality and market integrity. Transparency is essential, but public reporting should not disclose participant-specific or resource-specific commercial positions in a manner that could impair bilateral markets or facilitate market manipulation.
- Add a principle for transition and commercial feasibility. The program should include reasonable transition periods, objective waiver standards, and cure opportunities where transmission scarcity, resource scarcity, or implementation constraints make strict compliance commercially infeasible despite good-faith efforts.

2. Are there any Key Design Elements missing that should be added into the Initial Draft Proposal?

WPTF Response:

Yes. WPTF recommends that the Initial Draft Proposal include, or more fully develop, the following key design elements:

- A defined role and participation pathway for non-LSE RA sellers, including independent generators, marketers, and suppliers that are not compliance-obligated LSE participants.
- Objective contract-product eligibility rules for WSPP Schedule C, other firm power/capacity products, imports, and contracted resources, including uniform verification standards that apply to all sellers.
- Consideration of a deliverability and transmission-connectivity study methodology as an alternative to any firm-transmission percentage, including criteria for path-specific or constraint-based requirements.
- Interoperability rules for resources or contracts that may also participate in CAISO RA, WRAP, or other state/local RA constructs.
- A detailed compliance remedy framework, including penalty caps, waiver standards, cure periods, backstop triggers, backstop cost allocation, and limits on centralized procurement.
- Market monitoring and program assessment rules focused on incentives, market power, withholding, discriminatory eligibility rules, and the effect of program rules on bilateral liquidity.

3. Are there any other additional foundational questions that should be explored when drafting the Initial Draft Proposal?

WPTF Response:

WPTF recommends that the RA Sponsors and Work Group address the following foundational questions before presenting an Initial Draft Proposal:

- How will the program define participation for sellers that are not LSEs, and what rights and obligations will attach to those sellers?
- What obligations flow to the seller of a resource or contract product, and what obligations remain solely with the compliance-obligated LSE buyer?
- How will the program ensure that market-purchased capacity is treated comparably to LSE-owned capacity?

- What objective evidence would support any cap, review threshold, or discount for WSPP Schedule C or other firm power products?
- How will the program avoid double-counting while also avoiding rules that unnecessarily exclude resources participating in other RA frameworks?
- How will transmission deliverability be demonstrated in a way that recognizes the current scarcity of long-term firm transmission and the operational changes associated with EDAM?
- What information should be public, what information should remain confidential, and what data is vital to make transparent for bilateral RA price formation?
- What forms of deficiency relief are available when shortfalls arise from circumstances outside a participant's control, including transmission queue delays, forced outages, or regional resource scarcity?
- How will any backstop procurement be designed to avoid undermining bilateral markets or creating inefficient incentives?
- How will the RA ultimately be operationalized.

4. Please provide any additional feedback you would like to share regarding the Program Overview Document.

No additional feedback.

B. Consideration Design Documents

5. For Consideration Design Document #1 (Governance): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

WPTF Response:

WPTF supports independent oversight by the ROWE Board and agrees that the CAISO, as the EDAM market operator, may be well-positioned to serve as Program Service Provider (PSP) for modeling and operational execution. WPTF also supports a clearly defined Program Assessor or independent monitoring function. However, WPTF recommends revisions to ensure that the governance structure is inclusive of all market participants materially affected by RA rules.

The proposed Technical Oversight Committee (TOC) appears to be limited to program participants. Because the program is currently envisioned to impose compliance obligations on LSEs, that approach may reflect who is directly compliance-obligated. But it does not reflect who is directly affected by technical design choices. Resource accreditation, contract eligibility, WSPP Schedule C treatment, performance requirements, transmission requirements, and data-submittal rules will affect independent generators, marketers, and suppliers. Excluding those entities from the primary technical forum could lead to rules that work for buyers but not for sellers, impair bilateral liquidity, or create unintentional barriers to entry.

WPTF recommends one of the following approaches:

- Expand TOC membership to include supplier-side representatives or a balanced set of sectors, with voting or advisory rights tailored to the voluntary nature of the program;
- Create a standing Supplier and Contract Products Subcommittee that has direct access to the TOC and ROWE Board, participates in development of BPM and tariff language, and can submit written recommendations and minority reports; and
- Provide a formal mechanism for non-LSE suppliers to request agenda items, technical review, and ROWE Board consideration.

If a formal TOC vote is adopted, the voting design should not allow any one sector, BAA, corporate family, or small subset of large LSEs to control recommendations on rules that affect the broader

market. Consensus should be preferred for major design changes. Where consensus is not reached, minority reports should be transmitted to the ROWE Board together with the TOC recommendation.

BPM and tariff governance. WPTF recommends a clear distinction between ministerial implementation details and policy changes. Material BPM changes - especially changes affecting accreditation, eligibility, transmission demonstrations, performance obligations, confidentiality, penalties, or backstop procurement - should be subject to notice, stakeholder comment, a written response to comments, TOC/SRC review, and ROWE Board approval. Ministerial or emergency changes should be narrow, time-limited, and subject to after-the-fact review.

WPTF supports a meaningful advisory role for states and public power representatives, provided that the structure preserves independent program governance, respects state and local authority, and does not create duplicative or conflicting oversight for wholesale market rules.

WPTF supports an independent Program Assessor function, but does not see the CAISO DMM as a natural fit for this task as they do not have the authority or insight into non-CAISO balancing area RA transactions. The Program Assessor should monitor whether program rules facilitate or undermine bilateral liquidity, whether any participant can exercise market power through withholding or information advantages, whether backstop procurement distorts market outcomes, and whether eligibility rules discriminate against similarly situated resources or sellers. The RA Sponsors and Work Group should explore whether there is an opportunity to establish a new Program Assessor function under the ROWE construct. This could provide an opportunity for a Program Assessor that would be more focused on non-CAISO BA operation and RA issues and could be a preferable option to utilizing CAISO's DMM.

6. For Consideration Design Document #2 (RA Modelling & Metrics/Resource Qualification (incl. Contracts)/Resource Performance Requirements): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

WPTF Response:

WPTF supports transparent, probabilistic RA modeling and resource accreditation methodologies that reflect resource availability, duration, outage risk, and performance during stressed conditions. WPTF also supports efforts to align forward RA requirements with EDAM/WEIM operations where doing so reduces administrative burden and improves reliability. WPTF recommends the following refinements.

Modeling and metrics. The use of LOLE analysis, monthly PRMs, UCAP for thermal resources, and ELCC for variable and storage resources can be reasonable if the assumptions, inputs, and validation process are transparent. The PSP should provide stakeholders with sufficient information to understand load shapes, weather years, outage assumptions, resource additions, resource retirements, forced outage data, treatment of imports/exports, treatment of demand response, and correlations across resources and conditions. Participants and resource owners should have an opportunity to review and correct data that affects accreditation. The Initial Draft Proposal should also specify an appeal or dispute process for QC values.

WPTF cautions that any initial assumption of perfect deliverability within the footprint should be treated only as a modeling baseline. It should not substitute for a deliverability analysis or become a de facto conclusion that transmission constraints are irrelevant. The program could conduct a regional connectivity and transmission constraints study before adopting binding deliverability rules or a firm-transmission percentage.

Resource qualification and performance. Qualification standards should be technology-neutral, objective, and consistent with the physical and contractual obligations of the resource. Performance requirements should be clear at the time the resource or contract product is sold for RA compliance. To the extent the program relies on EDAM/WEIM market data, the rules should also allow supplemental data where market data does not fully capture the resource's capability or where a resource is not directly modeled in CAISO systems. The program should avoid imposing ambiguous or duplicative obligations on sellers that are not compliance-obligated LSE participants unless those obligations are clearly communicated and contractually agreed to.

Contract and Resource Eligibility Should Not Unduly Favor Program “Participants” (Load Serving Entities)

Because of the way program participants are currently defined (and limited to participating LSEs), WPTF strongly opposes the proposed preferential treatment of WSPP Schedule C contracts from sellers that are part of the RA program. For WSPP Schedule C contracts, the EDAM RA Sponsors proposed language would permit WSPP Schedule C contracts “*without additional elements*” or requirements for meeting program capacity requirements only “*if the seller is part of the RA program*.”¹. The RA Sponsors also recognize the remaining open issue for determining WSPP Schedule C contract eligibility for sellers that are not participating LSEs in the program.

Enabling WSPP Schedule C contracts to count from participants in the program, without any additional verification, but requiring additional verification for WSPP Schedule C contracts where the seller is not a program participant, would provide preferential treatment to LSEs as sellers of WSPP Schedule C RA capacity and would unduly discriminate against non-LSE sellers of the same product. Whatever verification requirements or contract review standards are placed on WSPP Schedule C contracts counting towards the program’s capacity requirements should apply equally to all types of sellers and should not provide preferential treatment to LSEs (as the only entities permitted to be RA program participants). Said differently, conditioning a capacity product’s eligibility on the seller’s identity, rather than on the capacity’s characteristics would be inequitable and unduly preferential. Therefore, WPTF recommends that whatever conditions the program adopts for Schedule C to count toward compliance should apply uniformly to all types of sellers.

Additionally, WPTF appreciates the RA Sponsors’ discussion on potential limitations on use of WSPP Schedule C contracts towards a participant’s RA obligation and, specifically, appreciates the recognition that – if such a limitation were to be applied – it may be appropriate to permit an increased amount of WSPP Schedule C contracts in certain instances. Historically, a number of smaller utilities/loads have not owned their own generation or capacity and have relied on WSPP Schedule C and other contractual arrangements to meet their requirements. It will require time for these entities to change their practices and develop/contract with generation/capacity resources, especially given the current system conditions where capacity resources are scarce and in high demand. Thus, it may be particularly important to provide time for these entities to transition their practices and, during a transition window, to allow them to rely on a higher amount of WSPP Schedule C contracts. To the extent the RA Sponsors determine a limitation on use of WSPP Schedule C contracts is required, it would be appropriate to allow for a higher use of these contracts in the early years of an entity’s participation in the program.

7. For Consideration Design Document #3 (Compliance Submittal Requirements/Load Forecasting/Transmission): provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations Providing as much detail as possible is appreciated.

WPTF Response:

WPTF supports compliance rules that provide forward visibility and reliability assurance while preserving efficient portfolio management and bilateral procurement. WPTF generally understands the

¹ See Workshop 3, Consideration Design Document, page 10. Available here: https://rowesternenergy.org/wp-content/uploads/2026/05/Consideration-Design-Document_Workshop-3_Final.pdf

rationale for a non-binding annual showing and a binding monthly showing, but recommends that the Initial Draft Proposal include additional safeguards as described below.

Compliance submittals. A non-binding annual showing can provide valuable transparency if it does not create premature financial exposure or incentives to over-procure. WPTF supports the concept that failure to meet an annual 90 percent showing should not trigger penalties. For monthly compliance, a 100 percent showing 60 days prior to the operating month may be reasonable for certain products and months, but the rule should be evaluated against actual bilateral market liquidity, transmission availability, and the timing of load forecast and QC updates. The program should include cure opportunities, objective deficiency relief, and a commercially feasible process for addressing late-emerging shortfalls such as forced outages, derates, changed load forecasts, and counterparty failures.

Load forecasting. WPTF supports further evaluation of a coincident peak methodology because it may better align obligations with system stress and cost causation than a non-coincident peak framework. However, the methodology should not be adopted until stakeholders can evaluate whether a five-year historical lookback is sufficiently stable, whether changing load shapes are captured, and how non-conforming loads, demand response, energy efficiency, behind-the-meter resources, new large loads, electrification, and customer-specific demand management will be reflected. The program should include a transparent adjustment process and a dispute mechanism for participants whose expected load trajectory materially differs from the default growth assumption.

Transmission and Deliverability Requirements Require Further Consideration

The RA Sponsors' have indicated that "*Participants would be expected to demonstrate firm, conditional firm, or Network Transmission from generation to load for some to-be-identified portion of the capacity requirement*"² and that firm transmission rights are an essential component of RA demonstration. Further, the RA Sponsors have offered a 75% transmission requirement as a starting point for the conversation, which aligns with the 75% requirement used in WRAP.

WPTF appreciates that, in the non-CAISO EDAM footprint, firm transmission can be a proxy for deliverability of RA capacity to load and thus may be an essential component of this RA program. However, it is also important to recognize both that there is very limited firm transmission available across much of the West today and that the nature of transmission rights in the West is changing with the advent of day-ahead markets, such as EDAM. These facts may make strict transmission demonstrations from resources to individual loads not only challenging but also – potentially – unnecessarily restrictive. We encourage the RA Working Group and RA Sponsors to consider alternative, more flexible approaches to ensuring deliverability of the program's RA capacity to loads.

WPTF asks the Work Group to consider whether, in place of a blanket requirement for 75% of RA resources to be deliverable on firm transmission, it would be more appropriate to develop a constraint-based demonstration that concentrates firm transmission requirements where the generation-to-load path crosses an identified constraint within the footprint, with lighter/alternative demonstration elsewhere. This would be consistent with the Work Group's own anticipation of more stringent requirements on certain paths or legs, and with its question of whether to set any percentage only after a regional connectivity analysis. This type of approach would require additional time and effort to consider, but would be worthwhile to explore as the RA program rules are being developed, given the challenges associated with acquiring firm transmission rights and the changing nature of the system with the implementation of EDAM.

² See Workshop 4, Consideration Design Document, page 6. Available here: https://rowesternenergy.org/wp-content/uploads/2026/05/Consideration-Design-Document-Workshop-4_Final.pdf

8. For Consideration Design Document #4 (Compliance Structure (incl. penalties)/Reporting & Transparency): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

WPTF Response:

WPTF supports a compliance structure that focuses financial accountability on periods of highest reliability risk while maintaining year-round visibility. WPTF also supports transparency, provided that public reporting does not disclose sensitive commercial data or impair competitive bilateral markets.

Binding months and year-round reliability. WPTF understands the rationale for designating peak-demand months as binding and treating non-peak or shoulder months as informational. At the same time, any RA program should maintain reliability across all months and hours. The PSP should perform transparent reliability analyses to identify binding months, and the program should revisit those months periodically as load shapes, resource mixes, weather risk, and EDAM operations evolve. Participants should receive multi-year advisory information to support forward contracting and investment.

Penalties and deficiency treatment. Compliance consequences should be predictable, capped, and aligned with cost causation. They should encourage timely procurement without becoming punitive where a participant acts reasonably but faces resource scarcity, transmission scarcity, or events outside its control. WPTF recommends objective waiver and cure criteria, including treatment for de minimis deficiencies, repeated deficiencies, forced outages, transmission unavailability, pending firm transmission requests, and regional resource scarcity.

Backstop procurement. WPTF recommends minimizing centralized procurement. If the program includes a backstop, it should be used only as a last-resort reliability tool, with clear triggers, independent administration, transparent cost allocation to cost causers, confidentiality protections, and safeguards to prevent the backstop from suppressing or displacing bilateral procurement. To the extent the program relies on a centralized procurement mechanism, WPTF recommends an independently administered clearing-price construct rather than an opaque administrative procurement process.

Bilateral trading and operationalization. WPTF supports exploring facilitated bilateral tools, such as a voluntary bulletin board, standardized product definitions, or a curated transaction window, if they improve liquidity and reduce transaction costs. Those tools should not become mandatory trading platforms, should not require disclosure of commercially sensitive open positions, and should not disadvantage bilateral transactions executed outside the facilitated process. A pre-EDAM operational window could help participants manage evolving positions before the Resource Sufficiency Evaluation, but it should be designed to support, not replace, bilateral contracting and existing EDAM/WEIM operational rules.

Reporting and transparency. WPTF recommends public reporting at an aggregated level. Appropriate public information could include PRM values, ELCC and accreditation methodologies, a list of the capacity accreditation value for resources participating in the program (similar to the CAISO's NQC list) aggregated regional supply and demand positions, binding-month designations, aggregate deficiency amounts, aggregate waiver/backstop activity, high-level transmission constraints, and annual program performance metrics. Public reports should not include participant-specific procurement positions, contract prices, counterparty names, resource-specific confidential performance data, unredacted contract terms, or data that could reveal a participant's near-term bilateral needs. The program should publish an annual report and consider more frequent aggregated reporting during the initial implementation period.

C. Spring Workshops

9. What aspects of the spring workshops were helpful? What suggestions should we consider to structure the summer workshops differently to better present material and foster open dialogue?

WPTF Response:

The spring workshop process was helpful because the Consideration Design Documents provided enough specificity to identify key issues, including governance, contract eligibility, modeling, compliance timing, load forecasting, transmission, penalties, and reporting. WPTF appreciates the RA Sponsors' willingness to identify open questions rather than present a fully settled design.

For the summer workshops, WPTF recommends the following:

- Have a workshop on large loads and load forecasting.
- Provide a comment-response matrix showing how stakeholder comments were considered between drafts.
- Offer separate technical sessions on modeling/accreditation, contract eligibility, transmission deliverability, and compliance/penalties.
- Continue to record workshops and maintain a public library of materials, Q&A, and publish all written comments.

D. Other

10. Please use this section to provide any additional feedback not covered in the sections above.

WPTF appreciates the opportunity to provide comments and looks forward to continuing to work with the RA Sponsors, Work Group, ROWE, CAISO, regulators, public power entities, LSEs, independent generators, marketers, and other stakeholders on an RA proposal that enhances reliability while preserving competitive market participation across the West.



Regional Resource Adequacy Initiative

Stakeholder Comment Template

Program Overview Document, Consideration Design Documents, and Spring Workshops

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Introduction

Vistra supports continued development of a voluntary regional Resource Adequacy (“RA”) program administered through the Extended Day-Ahead Market (“EDAM”) that uses common reliability standards, probabilistic modeling, objective accreditation, and meaningful deliverability requirements to improve reliability and coordination across the West. Vistra’s support is conditioned on the program being developed through an independent and inclusive governance structure consistent with the Pathways Stage 1 and Stage 2 framework. The working group should expressly recognize that both buyers and sellers of RA capacity are program participants and should develop any working group proposal in a manner that respects open access and non-discriminatory treatment, preserves efficient forward procurement signals through meaningful forward compliance obligations, provides for appropriate market monitoring and transparent reporting, and clearly defines contract eligibility, must-offer obligations, performance expectations, and performance incentives.

The Regional Organization for Western Energy (“ROWE”) governance framework, including its stakeholder process, is defined in the West-Wide Governance Pathways Initiative Step 2 Final Proposal. That governance framework is intended to support independent and non-discriminatory proposal development for the ROWE Board’s consideration. Consistent with the Pathways Step 2 framework, Vistra understands this initiative to be in an early issue-evaluation and problem-statement refinement phase — Stakeholder Initiative Stage 1. At Stage 1, participation should not be limited to a subset of sectors. Prospective RA buyers and sellers should both have a meaningful opportunity to participate in working group discussions so that any sponsor-developed framework reflects the procurement, performance, deliverability, and compliance risks faced by both sides of the RA program.

Vistra recognizes that the Pathways Step 2 framework contemplates staff-led development of straw proposals. Given the timing of ROWE’s formation, Vistra can also support a transitional approach in which the working group develops a framework proposal that is later reviewed, refined, and advanced

by ROWE staff or an independent delegate through the appropriate stakeholder process envisioned in Stage 2. Before any Working Group Initial Draft Proposal is finalized, the working group should be broadened to include all relevant participant classes, including prospective RA sellers, and the technical concepts should be discussed in working group meetings among both buyers and sellers.

As the process moves forward, the ROWE Board should consider how to align this initiative with the governance framework contemplated for ROWE, including the role of stakeholder voting and any appropriate Public Policy Committee review. Given the state policy implications of a regional RA program, it would be useful for ROWE to consider whether the relevant public policy review function can be established in time to support consideration of this first initiative. The Regional Issues Forum should also evaluate whether it can transition in time to more fully meet the Pathways expectations for the Stakeholder Representative Committee.

The remainder of these comments respond to the specific template questions. Vistra looks forward to continued engagement and to meaningful participation by prospective sellers in the working group process going forward. To maintain the credibility and independence of ROWE, this first initiative should follow the governance framework established through Pathways and should be presented through ROWE staff, subject to appropriate public policy review. The long-term success of ROWE will depend in part on prudently transitioning this effort into an independent ROWE staff proposal.

A. Program Overview Document

1. Foundational Principles: are there any foundational principles missing or any adjustments needed that should be considered for incorporation into the Initial Draft Proposal?

Response:

Vistra supports the proposed foundational principles in the Program Overview, including a common reliability standard, objective accreditation, and a voluntary structure aligned with EDAM. We recommend adding several additional principles to address issues that are not currently stated clearly enough in the Overview and that will be important for the Working Group's next steps.

In addition to the principles identified in the Program Overview, Vistra recommends that the Initial Draft Proposal include several principles that more clearly preserve open access, recognize both buyers and sellers as program participants, support independent governance, promote efficient entry and exit, and ensure that obligations, performance requirements, and market monitoring apply on comparable terms. These principles are important because the regional RA program will depend on both LSEs with procurement obligations and suppliers that provide the capacity services needed to meet those obligations.

The following principles should be incorporated:

- Establish independent and inclusive governance, with program development, oversight, and administration conducted through an independent framework consistent with Pathways Step 2 Final Proposal subject to ROWE oversight.
- Recognize both RA buyers and RA sellers as program participants whether Load Serving Entities ("LSE") acting solely as buyers, LSEs acting as both buyers and sellers, and non-LSEs acting as sellers.

- Preserve competitive bilateral markets and customer choice through non-discriminatory, open access to the program for prospective buyers or sellers regardless of their commercial model (buyer, net buyer, seller).
- Promote efficient entry and exit through efficient and meaningful forward procurement signals, based on robust forward compliance obligations, to improve affordability, reduce compliance risk, and discourage excessive reliance on short-term procurement.
- Commit to staff performing transparent, recurring processes establishing requirements, with stakeholder engagement on key inputs, assumptions, and methodological changes.
- Allow all technically capable resources to compete on a level playing field subject to technology-neutral rules where their qualifying capacity is based on resource-specific accreditation for their ability to support reliability needs.
- Adopt technology-neutral performance obligations, penalties, and incentive mechanisms across RA suppliers.
- Provide for market monitoring oversight, including market performance reporting and investigation of potentially problematic conduct where warranted.

2. Are there any Key Design Elements missing that should be added into the Initial Draft Proposal?

Response:

Yes. The Working Group's Initial Draft Proposal should more fully develop several core design elements currently missing or under-designed, hopefully in an inclusive process including suppliers.

The Working Group should address resource performance obligations, including must-offer expectations and an approach for evaluating performance during system stress conditions. It should define a performance assessment framework that specifies how shown resources will be assessed for meeting their obligations, including whether capacity transfers will be allowed. A more developed transmission and deliverability methodology needs to be discussed to ensure resources shown are deliverable resources rather than assuming but instead based on empirical support performed by the PSP specifying local versus participating footprint eligible amounts. The working group should affirm in future revisions that the rules for equivalent treatment will align with Federal Energy Regulatory Commission ("FERC") Designated Network Resources ("DNR") requirements.

The Working Group should also clarify the year-head obligations both for buyer procurement and seller showings. This should specify a reasonable penalty to deter under-procurement in a more liquid timeframe to avoid the risks of delayed procurement because delayed procurements increase non-compliance risks and procurement costs. It should also specify timelines around buyer and seller showings, including cure periods and Program Service Provider ("PSP") validation. These discussions need to explore whether the PSP will perform annual or monthly backstop assessments for any collective deficiencies, and if done appropriate cost allocation.

Finally, additional details on market monitoring and market reporting should be developed, namely a strong commitment to transparent performance reports.

These are not secondary implementation issues; they are central to whether the program will send credible forward signals, preserve competitive market access, and produce real reliability value.

3. Are there any other additional foundational questions that should be explored when drafting the Initial Draft Proposal?

Response:

The Working Group should continue exploring how the program will preserve forward procurement incentives without encouraging short-term procurement close to the compliance date. This consideration should contemplate how it will most affordably incent LSEs to procure resources in light that resource procurements will compete with CAISO RA and the Western RA Program requirements, and the PSP should ensure its must-offer obligations and performance assessments do not apply obligations to resources that sell portions of their capacity to different LSEs in different programs.

4. Please provide any additional feedback you would like to share regarding the Program Overview Document.

Response:

The governance section in III.1 is directionally appropriate, but it falls short of ensuring that Pathways Step 2 Final Proposal stakeholder framework, including voting, and the independence of a proposal being established by an independent staff that promotes proposal to the ROWE board. The stakeholder process must align with Pathways Step 2 to ensure credibility and minimize concerns that the effort will experience challenges when filed at FERC. It is the time to transition this effort into one that is an independent ROWE-led process consistent with Pathways where the current phase can pivot quickly to align with Stakeholder Initiative Stage 1 procedures and then the working group proposal could be taken up by ROWE delegated staff while the ROWE board is being established, its Public Policy Committee stood up, and the RIF transitions fully to the SRC in time for the first initiative to proceed through the Pathways framework. Anything less than meaningfully complying with Pathways risks regulatory approvals.

B. Consideration Design Documents

5. For Consideration Design Document #1 (Governance): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

Response:

Vistra supports the concept that ROWE, through its independent Board, should govern the program and that the PSP may be well positioned to provide technical and administrative support.

At the same time, the governance structure should better ensure that the program is viewed as a ROWE-led regional framework rather than a participant-designed construct adopted later by the Board. The current process has been driven by LSE program participants, but an RA program should be developed by all participant classes rather than only by a subset of the demand side. RA sellers are not merely stakeholders of RA buyers. They are an essential class of program participants whose views

are necessary to evaluate whether qualification rules, performance obligations, and compliance structures can function without unnecessarily increasing procurement costs or limiting open access.

Further, Vistra believes regulatory approvals will be difficult to achieve if the process is LSE-led without independent staff involvement and in a manner that does not align with the new organization's own framework developed under Pathways Initiative. We are concerned that it harms the long-term success of the ROWE. Consequently, Vistra recommends stronger stakeholder inclusion in Working Group consistent with Pathways Stage 1 allowing all sector representatives that choose to participate in the working group. A participant-only TOC once expanded to include buyers and sellers may provide technical expertise, but ROWE must retain genuine independent authority, and non-participant stakeholders should have transparent access to materials, meaningful opportunities to comment, and a clear ability to seek review or appeal on major design choices.

6. For Consideration Design Document #2 (RA Modeling & Metrics/Resource Qualification (incl. Contracts)/Resource Performance Requirements): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

Response:

Vistra supports the proposed use of probabilistic LOLE studies and technology-neutral accreditation methods such as Unforced Capacity ("UCAP") and Effective Load Carrying Capability ("ELCC"). The RA framework should be designed around the collective system needs to meet the One-Day-in-Ten-Years reliability standard while capturing relevant uncertainty factors, including load forecast uncertainty and resource availability uncertainty due to intermittency or unit outages.

The Loss of Load Expectation inputs and assumptions should be developed by PSP staff and stakeholdered on a recurring basis and clearly documented so stakeholders can understand both the inputs used and methodological improvements over time. Vistra also supports a qualification basis that accredits thermal resources using UCAP and accredits other resources using ELCC. These technology-neutral methods are appropriate and should remain objective and transparent.

Vistra recommends establishing RA requirements through a regularly updated probabilistic LOLE study rather than relying on a fixed, predetermined deterministic PRM. A probabilistically determined PRM should be revisited as system conditions change. Vistra prefers seasonal Planning Reserve Margins ("PRM") over monthly PRMs.

While monthly PRMs may better track changing reliability risk, a monthly-only binding structure also increases supplier risk, encourages shorter-term procurement, and can raise overall procurement costs because resources must recover fixed costs over a narrower and less certain contract horizon. Monthly PRMs also make it more difficult for planned outages to be accommodated because the reserve margins are narrowed during months with lower risks, however those are the months maintenance outages are best suited. Monthly PRMs will introduce outage management challenges that sellers, whether LSE or non-LSE, will find challenging if advanced. Instead, a seasonal structure would send a better signal for longer-term contracting, support more efficient procurement behavior, reduce the risk that the program becomes overly dependent on short-term monthly transactions, and allow outage flexibility in shoulder months to ensure prudent maintenance improving long-term fleet reliability. Any design that leaves non-peak periods informational or relies too heavily on monthly procurement will

tend to weaken forward liquidity, undermine the affordability benefits that a regional program should be trying to achieve, and increase risks of declined outages. Consequently, Vistra supports two seasons: summer and non-summer months. The first LOLE study can recommend which months should fall within each season based on observed loss-of-load risk or expected unserved energy.

On load forecasting, the proposal should move toward a stochastic weather-normalized approach over time. A five-year historical period is too short; a period of at least twenty years is more appropriate so that the forecast better captures extreme weather variability and evolving system conditions. The load forecast used for this purpose should calculate a coincident 1-in-2 peak load forecast across all balancing authority areas participating in the regional program based on weather normalized data across twenty years.

Vistra also continues to believe the program should more clearly define performance obligations, such as must-offer obligations (“MOO”) and performance incentives. The program should also require RA resources, including use-limited resources, to be available for each day of the month covered by the RA commitment absent physical limitations, technical operating parameters (e.g., ramp rates, nonlinearity), approved planned outages, or forced outages. A resource that is only willing or contractually able to provide capacity for five or six days of the week should not fully qualify as RA capacity.

RA resources contracted Qualifying Capacity (“QC”) should reflect the value of the service provided during demand hours. The capacity value of variable, use-limited, and dependable resources should be tied to their ability to carry load through periods of loss-of-load risk and to perform when the system needs capacity is best done through ELCCs. Thermal resources should also be tied back to actual performance during demand hours, for which UCAP is well suited.

Sellers should be required to bid into EDAM consistent with their shown QC values, and the program should define clear performance metrics and incentive frameworks, so suppliers understand their commitments upfront and reliability is maintained. If a resource chronically underperforms during System Critical Hours, scarcity events, or other defined performance intervals, that experience should feed back into its qualifying capacity or accreditation value over time and may also support penalties where appropriate. Vistra supports resource performance incentives applied during stressed conditions where underperformers against a balancing ratio share of their MOO are assessed penalties and overperformers against the same target are allocated those to incent greater resource performance. These elements should be defined early enough for prospective suppliers to evaluate compliance risk.

7. For Consideration Design Document #3 (Compliance Submittal Requirements/Load Forecasting/Transmission): provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

Vistra supports a framework that uses pro-rata share of coincident peak responsibility to allocate obligations and that requires shown RA capacity to be deliverable to load for the system requirements and located in local area for local requirements. Vistra strongly supports the principle that RA capacity must be deliverable either to the system or to local depending on which requirement it is being used to meet.

For suppliers located outside EDAM, shown QC should be supported by firm or conditional-firm transmission service that is non-interruptible except for reliability curtailments consistent with DNR. For suppliers located within EDAM, the final rules should be aligned with CAISO's EDAM Resource Sufficiency Evaluation framework. If CAISO develops an EDAM-wide deliverability assessment that can identify deliverable resources to non-CA EDAM demand participating in this program, Vistra can support relying on that assessment rather than requiring duplicative transmission showings. In the absence of such an assessment, resources should not be presumed deliverable without transmission from the source Balancing Authority Area ("BAA") border to the sink BAA border consistent with Resource Sufficiency Evaluation ("RSE") transmission requirements.

8. For Consideration Design Document #4 (Compliance Structure (incl. penalties)/Reporting & Transparency): please provide feedback on the concepts presented and any of the questions posed within the document. Please indicate level of support for concepts presented, suggestions for other approaches, or additional considerations. Providing as much detail as possible is appreciated.

Response:

Vistra views the compliance framework as one of the most important areas for further development.

The Working Group should further define annual and monthly showing timelines; process, timeline, and cost-allocation for any backstop of collective deficiencies; reasonable penalties for annual and monthly showings and any escalation for repeated deficiencies. Penalties should be strong enough to support real compliance incentives, but they should also be transparent, capped where appropriate, and tied to cost causation. The program should specify when cure rights are available to the LSE and how quickly a deficiency must be cured, such as October 15 showing deadline with a 5-day cure period to avoid penalty.

We also believe the year-ahead showing should have more practical force than a purely informational filing, but the proposal should distinguish between two different concepts. It is reasonable for the annual showing to be non-binding in the sense that resources shown there can be removed, adjusted, or added at the monthly showing. It is not reasonable, however, to establish a year-ahead showing target with no meaningful compliance consequences if an LSE is short the 90% system and local targets.¹ If the annual showing is described as a requirement, failure to meet it should carry consequences sufficient to preserve the forward value of the showing and discourage participants from waiting until the monthly stage to procure. Deferring procurement to monthly time periods unnecessarily increases risks and costs as discussed above.

The PSP must provide transparent market reporting on the RA program performance and aggregate data on costs and market benchmarks. The reporting framework should similarly balance confidentiality with transparency by providing aggregated RA metrics including deficiency levels at annual showings by system and zone, deficiency levels at monthly showings by system and zone, backstop amounts and costs, performance penalties and incentive payments, chronic performance issues, and overall program performance. Individual commercially sensitive positions and transaction-specific data can

¹ Working group should discuss whether local areas should have higher annual showing requirements.

remain confidential, but a program of this importance should provide sufficient aggregated transparency to support confidence and accountability.

A well-defined compliance regime and transparent reporting framework will do more than enforce obligations; they will help create confidence that the program is durable, just, and reasonable.

C. Spring Workshops

9. What aspects of the spring workshops were helpful? What suggestions should we consider to structure the summer workshops differently to better present material and foster open dialogue?

Response:

The spring workshops were useful in surfacing the major design topics and identifying areas where additional detail is needed for a more inclusive Stage 1 working group. For the summer workshops, the process would benefit from transitioning to a process closer to Pathways Stage 1. Going forward there should be broader participation in proposal development, including meaningful inclusion of prospective RA suppliers, and clearer articulation of the independent governance pathway through which the proposal will be reviewed and advanced based on Pathways Initiative Step 2 Final Proposal.

D. Other

Response:

Vistra appreciates the effort to develop a voluntary regional RA framework that can improve coordination across the West and better align planning with emerging market structures. We support continued development of the proposal, provided the Working Group process can evolve to one consistent with Pathways Step 2 and that the Working Group proposal resolves the core design issues identified above.