

November 13, 2026

Elliot Mainzer
President and Chief Executive Officer
California Independent System Operator (CAISO)
250 Outcropping Way
Folsom, CA 95630

Re: Strengthening the EDAM Foundation – Support for Catalog and Roadmap Capacity So Bonneville Power Administration and Recent EDAM Implementers Can Move Forward Together

Dear Elliot:

The continued success of the Extended Day-Ahead Market (EDAM) depends on broad, well-informed participation across the West. With the launch of EDAM and knowledge gained from this early market experience, it is an appropriate time to evaluate opportunities to engage all stakeholders on key market design and market enhancement elements, both current and emerging. On behalf of the undersigned entities, we write to express our strong support for reserving policy staff resources, stakeholder engagement, and scheduling flexibility in CAISO's 2027 Policy Initiatives Catalog (the "Catalog") and associated Roadmap (the "Roadmap") with the objective of advancing matters for consideration and decision by the Western Energy Markets (WEM) Governing Body during 2027.

In his September 3, 2026, letter, Bonneville Power Administration (BPA) Administrator Travis Kavulla identified several focus areas regarding EDAM's market design, including congestion revenue allocation and price formation. A market that works for the entire region is best built when all parties have the time and opportunity to reach a common foundation. A focused effort in 2027 will enable BPA, entities committed to EDAM, and other stakeholders to engage on a number of substantive market design questions, including those identified in Administrator Kavulla's letter. We encourage CAISO to give these entities a practical opportunity to work through the underlying analysis, contribute their perspectives, and find alignment with those who have been engaged in these efforts to date. While stakeholders may hold differing perspectives on the merits of particular design approaches, we believe these issues warrant focused attention, rigorous analysis, and timely consideration through CAISO's established stakeholder process and the current WEM Governing Body governance process.

Our request is intended to welcome participation from BPA and others that are taking a fresh look at EDAM and related market initiatives while sustaining progress on initiatives already underway. Given our understanding of positions and the progress already made, we do not believe a complete restart is needed. Thoughtful sequencing of the relevant processes will allow entities to become familiar with the existing record, articulate their positions and concerns, and evaluate potential solutions alongside current stakeholders.

For example, the Price Formation Enhancements (PFE) initiative is fundamental to the long-term effectiveness of the EDAM and Regional Organization for Western Energy (ROWE) markets and covers complex, detailed market dynamics. The importance of transparent market prices that reflect underlying system conditions, operational constraints, and the economics of attracting supply alongside price signals encouraging demand reductions has been and should continue to be PFE's primary focus. To date the PFE initiative has devoted considerable effort to market power mitigation and scarcity pricing and we encourage meaningful consideration of all stakeholders' perspectives, including BPA.

EDAM was developed to leverage the significant resource diversity and transmission connectivity between the major supply and demand regions of the West achieving efficient integration and optimized commitment of diverse resources and transmission capability to serve load reliably and economically across a wide Western footprint. The Congestion Revenue Allocation (CRA) initiative will continue to support equitable treatment of congestion revenue allocation across all market participants, recognition of differing transmission arrangements in the West and a desire to fully utilize and reflect the value of transmission investments. On-going, further evaluation of CRA continues starting from the approved, existing framework and will add analysis of EDAM operational impacts to date, as well as incorporation of existing and prospective market

participants' perspectives could provide valuable insight into potential future enhancements to create a long-term durable design.

Specifically, we encourage CAISO to shape both the Catalog's scope and the Roadmap's allocation of staff time and stakeholder engagement to accommodate this additional engagement. This could include focused technical workshops, access to relevant background materials, analysis, and reasonable opportunities to identify and discuss issues before key policy milestones. CAISO initiatives often require a substantial amount of time to develop robust, effective market solutions.

We recognize the demands on CAISO and stakeholder resources and support a focused approach with clear milestones and actions intended to deliver developed proposals put before the WEM Governing Body for consideration during 2027. CAISO should preserve work needed for reliable market operations and existing implementation commitments while identifying targeted opportunities to address this call for additional engagement, without deferring necessary improvements indefinitely.

As a hallmark of the CAISO efforts, this engagement should occur through an open, inclusive stakeholder process in which current and prospective participants can evaluate issues together. Providing space for discussion should not prejudge the merits of any proposal, endorse a particular market design change, imply commitment by BPA or any other entity to join EDAM, or be interpreted as agreement with any policy proposal or specific outcome. Any proposed changes should be evaluated on their merits, including their effects on reliability, affordability, equitable treatment, customer benefit, state energy policy, and market efficiency.

A stronger EDAM begins with a shared foundation. We respectfully request CAISO to incorporate this focus and flexibility into the Catalog and Roadmap and communicate how the process will accommodate all participants while maintaining momentum on shared priorities. We stand ready to help and share lessons learned, and we appreciate CAISO's consideration.

Sincerely,

James R. Shetler, General Manager
Balancing Authority of Northern California

Jason L. Rondou, Interim COO and Senior Assistant General Manager – Power System
Los Angeles Department of Water & Power

David Rubin, Federal Energy Policy Director
NV Energy

Mike Wilding, Vice President, Energy Supply Management
PacifiCorp

Scott Ranzal, Director Market Policy & Analytics
Pacific Gas and Electric Company

Pam Sporborg, Senior Director, Transmission & Market Strategy
Portland General Electric

Kelsey L. Martinez, Director – Regional Markets, Lands, and Transmission Strategy
Public Service Company of New Mexico

Siobhan Doherty, Power Supply Officer
Seattle City Light

Jeff Nelson, Director, FERC Rates and Market Integration
Southern California Edison

Christopher Summers, Director of Energy Procurement & Policy
San Diego Gas & Electric

Tim Payne, Assistant General Manager, Power Supply
Turlock Irrigation District

cc: Regional Organization for Western Energy, Board of Directors
Travis Kavulla, Administrator and Chief Executive Officer, Bonneville Power Administration