

## **Joint Comments on the West-Wide Governance Pathway Initiative**

The undersigned Joint Commenters are pleased to submit the following comments and clarifying questions to the West-Wide Governance Pathway Initiative (WWGPI) “Overview and Questions for Stakeholders” (Pathway), dated August 29, 2023. This Pathway document follows up on the letter to the Western Interstate Energy Board dated July 14, 2023, from several states, commencing a dialogue on a new independently governed west-wide market (States Letter).

As an initial matter, Joint Commenters support both the States Letter and Pathway document. In short, we want the WWGPI to succeed, and are heartened to see the level of collaboration among several states that went into both documents, the initial call from regulators for a viable path to electricity markets inclusive of all western states, with independent governance.

### **Overall Principles**

- The undersigned support the content of the States Letter, and what it represents; the recognition and willingness of multiple and diverse states to work collaboratively toward an inclusive and expansive market footprint that maximizes benefits for consumers by leveraging the existing investments made, and benefits gained, through participation in the CAISO WEIM. As the resource mix of the West changes, resulting in continued reductions in overall emissions, we must grasp opportunities that keep reliability and affordability of service as key policy objectives of any market evolution.
- We agree that states and utilities must make their own decisions voluntarily based on assessments of consumer benefits and the policy objectives set forth by those respective states.
- It is clear that for a market footprint to be wide and diverse enough to maximize benefits, additional governance reform is likely required. Certain of the Joint Commenters have decided to participate in the CAISO’s Extended Day Ahead Market based on the Joint Authority governance model, while other have reservations and may require additional steps to participate in a Day-Ahead construct. What is clearly a consensus issue is that consideration of additional governance reform will be required if any significant market evolution is expected or desired beyond day-ahead market services.
- No “end state” should be assumed. Our understanding is that the goal is not to create a Regional Transmission Organization (RTO) *per se*, but to create an entity that can serve the needs of the West and evolve accordingly as state and utility choices are made, including and up to options for an RTO.

- A successful governance structure will require transparency, with information accessible to all so that informed decisions can be made. The undersigned entities envision an open and inclusive process for stakeholders as part of Phase 1, and expect all to work constructively on analysis, options, and consensus on key issues.

## Conclusion

The success of this process lies in an open dialogue and representative structure that builds trust and paves the way for continued market collaboration to maximize benefits for consumers. The WWGPI, if done successfully, can result in a cleaner, more affordable, and more reliable western electric grid. We are committed to support your efforts and help lead an action-oriented process with stakeholders throughout the West.

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