



Memorandum

To: Western Energy Markets Governing Body and ISO Board of Governors

From: Benjamin F. Hobbs, Chair, Market Surveillance Committee

Date: September 2, 2025

Re: **Briefing on Market Surveillance Committee activities: July 16, 2025 – August 28, 2025**

This memorandum does not require Western Energy Markets Governing Body or ISO Board of Governors action.

During the period of time covered by this memorandum, the Market Surveillance Committee (MSC) of the California ISO conducted informal discussions with staff concerning the status of several California ISO initiatives and studies.

Among others, these initiatives and studies included:

- use of historical Western Energy Imbalance Market price data to inform evaluations of possible alternatives for allocation of congestion revenues from parallel flows in the Extended Day-Ahead Market (EDAM);
- the potential impact of changes in bid cost recovery for storage operation;
- certification of capacity in the California resource adequacy market;
- possible changes in the congestion revenue rights allocation process to address auction efficiency and other issues; and
- the effects of settings for configurable parameters in the EDAM.

The MSC is planning to hold a general session meeting in September to discuss one or more of these topics with stakeholders.