



California ISO

Market Policy Roadmap

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Annual Market Policy Catalog & Roadmap Process

Market Policy Catalog

- ISO accepts market policy initiative proposals from stakeholders and documents stakeholder support
- Key input to the prioritization process

Market Policy Roadmap

- Work plan that describes the market policy initiatives the ISO will undertake from 2027-2029
- Final Roadmap represents intersection of stakeholder-identified priorities from the Catalog, [ISO Critical & Strategic objectives](#), initiative feasibility, urgency, and ISO resources.
- Includes initiatives identified by both stakeholders and the ISO

2027-2029 Market policy catalog and roadmap development

January	Kickoff stakeholder meeting
February	Stakeholders submit proposals
March	Regional Issues Forum (RIF) Roundtable
April	Stakeholder workshop
	Briefing to Body of State Regulators (BOSR)
April-May	Stakeholder prioritization survey
	RIF Roundtable Report
	BOSR comments
June	Publish 2026 Market Policy Catalog
	Publish updated 2026 Market Policy Roadmap
July	Executive session briefing: ISO Board of Governors & WEM Governing Body
September	Briefing to BOSR
	Publish Draft 2027-2029 Market Policy Roadmap
	Stakeholder meeting
October	Briefings to RIF & BOSR
	Stakeholder comment period
November	Stakeholder meeting
	Publish final 2027-2029 market policy roadmap
December	Briefing to ISO Board of Governors and WEM Governing Body

2026 catalog submissions: In scope of existing initiatives/analysis

Submission Topic	Submission Title	Organization
Seams	Western market seams coordination	Appian Way Energy Partners
	Market-to-market seams	Bonneville Power Administration
	Internal and external market seams	Western Power Trading Forum
Resource Adequacy	Flex RA phantom obligation due to delayed commercial operation date	California Department of Water Resources - State Water Project
	Eliminate Flex RA & Update Capacity Procurement Mechanism	Western Power Trading Forum
	Maximum Import Capability (MIC) Enhancements	The Joint Parties
EDAM Enhancements and Analysis	EDAM and DAME assessment	California Public Utilities Commission Energy Division
	Imbalance reserve product enhancements	Pacificorp
	2028 EDAM Review	Pacific Gas & Electric
	EDAM enhancements	Western Power Trading Forum

2026 catalog submissions: Not included in roadmap

Submission Topic	Submission Title	Organization
EDAM Intertie Bidding	Economic intertie bidding under EDAM	Vitol Inc.
	EDAM BAA Transactional Market Seams Enhancements	The Energy Authority
	Intertie bidding with EDAM	Western Resource Advocates
Other	Liquidity of bilateral indices in FERC Order 831 implementation	California Public Utilities Commission Energy Division
	Rising costs to LSEs with Real-Time Congestion Offset (RTCO) Charges	California Department of Water Resources - State Water Project
	Ancillary Services Real-Time Re-Optimization	Pacific Gas & Electric

2027-2029 market policy roadmap additions

- **Virtual bidding for EDAM BAAs**

- ISO-initiated
- Identify conditions under which an EDAM BAA would be required to accept virtual bids
- In its EDAM transmittal letter to FERC the ISO committed to beginning a stakeholder initiative after EDAM participation began

- **Seams**

- Reserve resources as needed for market design initiatives needed to address market seams issues

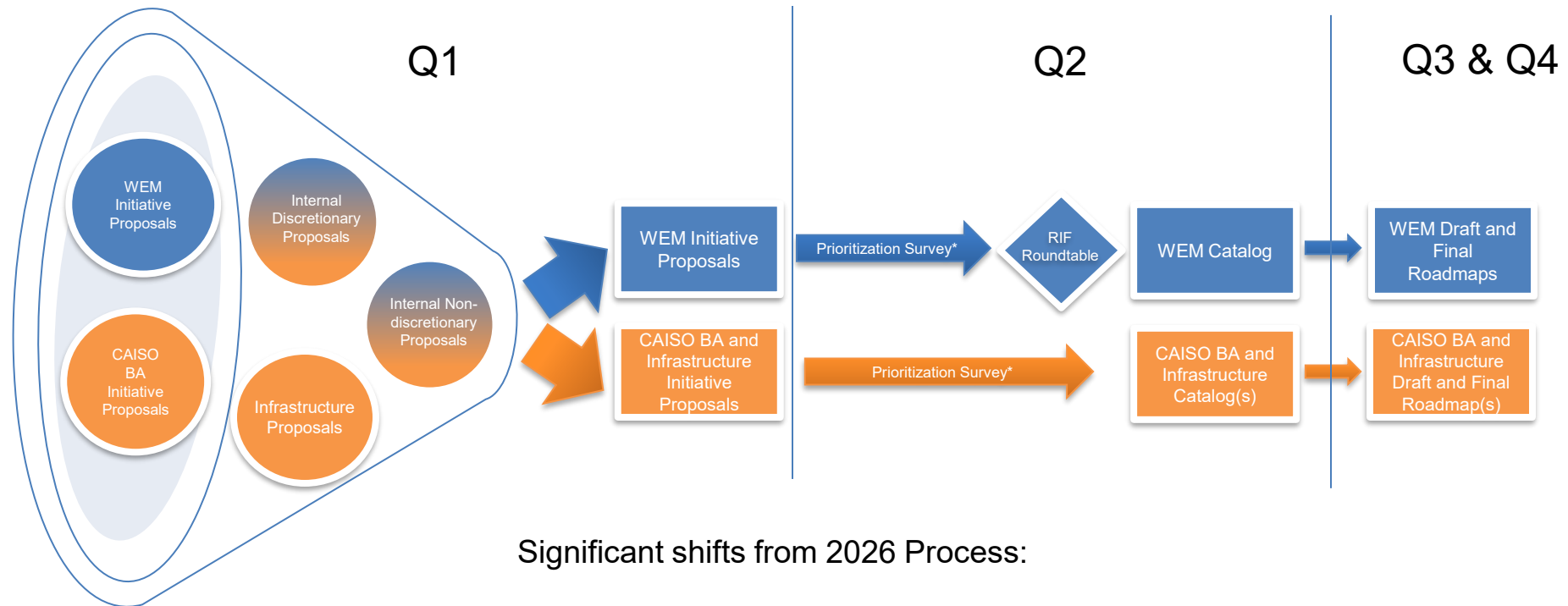
Stakeholder comment period open through Oct. 30

- Comments accepted via stakeholder comment tool.
 - Registration required to view questions and submit responses.
- Describe your organization's support for the draft 2027-2029 market policy roadmap.
- Indicate whether your organization has the resources and capacity to support participation in the portfolio of policy initiatives outlined in the draft 2027-2029 market policy roadmap.
- Provide process feedback where applicable, including on the proposed 2027 roadmap process.

Next Steps

- **September 24-October 30:** Stakeholder comment period
- **Mid-November:** Final 2027-2029 market policy roadmap released
- **November 17:** Stakeholder meeting
- **December 9:** Present final roadmap to ISO Board of Governors and WEM Governing Body

Proposed 2027 roadmap process



Significant shifts from 2026 Process:

- Single intake for all submittals
- A separate roadmap for WEM initiatives
- ISO BAA and infrastructure initiatives potentially in a single catalog and roadmap

*Prioritization surveys do not include non-discretionary initiative proposals.

Resources

- [2027-2029 draft market policy roadmap](#)
- [Stakeholder comment template](#)
- [2026 market policy catalog](#)
- 2026 [stakeholder submissions](#) to market policy catalog
- 2026 market policy catalog and roadmap [webpage](#)

Questions?

Please contact Alyssa Krag-Arnold at akragarnold@caiso.com or ISO Stakeholder Affairs: isostakeholderaffairs@caiso.com

APPENDIX

2027-2029 draft market policy roadmap (1/3)

		2026	2027				2028				2029			
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Commitment Cost Bidding Flexibility		Public dialogue: next steps					Implementation							
Congestion Revenue Rights Enhancements														
	Phase 1: Loop flow modeling	Implementation	Complete											
	Phase 2a: Modeling enhancements	Policy development	Policy development	Implementation										
			Decision											
	Phase 2b: Product definition and CRR auction & allocation process enhancements	Policy development			Decision	Implementation								
Demand and Distributed Energy Market Integration														
	Track 1: End-user exports in demand response performance measurement	Policy development			Decision		Implementation							
	Track 2: Demand flexibility enhancements	Policy development			Decision									
	Track 3: Large load forecasting enhancements		Policy development			Decision								
EDAM Congestion Revenue Allocation		Policy development			Decision	Implementation								

2027-2029 draft market policy roadmap (2/3)

		2026		2027				2028				2029			
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
	EDAM Enhancements	As needed													
	Intertie Schedule Modeling Enhancements	Policy development				Decision	Implementation								
	Gas Resource Management	Implementation													
	Greenhouse Gas Coordination														
	Accounting and reporting	Implementation													
	Net export constraint		Public dialogue: next steps												
	Washington and California program linkage		Policy development												
	Price Formation Enhancements														
	Comprehensive scarcity pricing & market power mitigation	Policy development				Decision			Implementation						
	Fast start pricing	Postponed	Public dialogue: next steps												
	Resource Adequacy Modeling and Program Design														
	Track 1: Modeling and default rules	Implementation													
	Track 2: Outage substitution and availability and incentive mechanisms	Policy development	Decision				Implementation								
	Track 3a: Resource visibility	Implementation													
	Track 3b: Backstop reform and long-term EDAM RSE solutions	Policy development				Decision	Implementation								
	Track 4: Flex RA		Policy development												
	Track 5: MIC enhancements	Policy development			Decision										

2027-2029 draft market policy roadmap (3/3)

		2026	2027				2028				2029			
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Seams		As needed											
	Storage Design and Modeling													
	Topic group 1: Outage management enhancements	Implementation												
	Topic group 2: Uplift & default energy bids	Policy development	Decision	Implementation										
	Topic group 3: State-of-charge management	Policy development		Decision		Implementation								
	Topic group 4: Mixed-fuel & distribution-level resources	Policy development	BPM change	Implementation										
	Variable Operations and Maintenance Cost: Triennial Review	Decision	Implementation											
	Virtual Bidding for EDAM BAAs						Policy development							
	WEIM Resource Sufficiency Evaluation Enhancements	Postponed	As needed											

Stakeholder survey results

