



California ISO

BOSR Update: Seams

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Body of State Regulators (BOSR)

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The ISO's principles for seams engagement

Focus on reliability, respect, and mutual benefits

-  Maintain system reliability
-  Just, reasonable, and non-discriminatory access consistent with approved market design and transmission tariffs
-  Seams arrangements should benefit both markets
-  Seams discussions are not a forum for market design advocacy
-  Avoid impediments to efficient trading
-  Respect the autonomy of our partners
-  Provide appropriate compensation for market use of transmission and minimize cost shifts
-  Coordinate market monitoring and design against gaming at the seams

More info: [Seams | Western Energy Markets](#)

FERC issued an order requiring SPP and ISO to submit a joint report on western seams coordination

- July 16th – Order issued
- July 23rd – ISO & SPP pre-planned meeting (hybrid in-person in Denver & remote)
- July 24th – ISO – SPP executive meeting in Denver
- July 31st – First ISO Seams Workshop – Seattle, WA
- August 18th – Second Joint ISO & SPP Seams Workshop – Salt Lake City, UT
- September 16th – Third Joint ISO & SPP Seams Workshop – Lakewood, CO
- September 30th – Joint Report due
- October 22nd – Fourth Joint ISO & SPP Seams Workshop – Salt Lake City, UT

Questions to be addressed in the joint report and workshops

Category		Question	Seams Workshops
Q1	Status	What efforts have ISO and SPP undertaken to date on seams and market coordination? Which other have ISO and SPP engaged in discussions on these issues?	Workshop #1: Key issues & regulator perspectives
Q2	Issues	Identify specific seams and market coordination issues created by the ongoing development of organized wholesale markets in the West, including (but not limited to): (a) Explain how ISO and SPP will resolve potential operational and communication challenges regarding transmission commitment, reservation, and use, given their differing market rules (b) Explain how congestion management will work between (1) the three markets (EDAM, Markets+, and SPP's expanded RTO) and (2) the market operators and the bilateral markets (c) Explain how ISO and SPP will manage loop flow issues between the markets	
Q3	Plan	Submit a plan and schedule for addressing each of the issues in question (2) based upon the relative prioritization of those issues for both importance and timing.	Workshop #2: Transmission constraints and congestion management Workshop #3: Transactions across market boundaries Workshop #4: Roadmap & next steps
Q4	Gap	Identify any areas in which the market operators are not yet aligned on a path forward.	

Next Steps

- Welcome feedback on joint workshop series
- Information is consolidated on the seams webpage: [Seams | Western Energy Markets](#)
 - Principles: focus on reliability, affordability, and mutual benefit
 - Approach: commitment to working on seams issues and a coordination agreement with SPP prior to Markets+ launch
 - Perspective: no seams arrangement will overcome the inefficiencies inherent in multiple markets working on their own to optimize separate portions of one interconnected grid
- Register for the upcoming workshops: westernenergymarkets.com/meetings-events/topics/market-seams



California ISO

Update: 2026 Market Policy Roadmap

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September 11, 2026

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)
Mid-April to Mid-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
August	RIF liaison briefing
September	Briefing to BOSR
	Publish Draft Market Policy Roadmap
October	Briefing to RIF & BOSR
	Briefing to ISO Board of Governors and WEM Governing Body
	Stakeholder comment period
December	Publish final Market Policy Roadmap
	Briefing to ISO Board of Governors & WEM Governing Body

Updates to 2026 market policy roadmap that impact 2027-2029 Roadmap

- What is changing?
 - Deferred near-term policy decisions
 - Refocus on emerging priorities
 - Slowing the pace of other initiatives
 - Continue advancing priority initiatives
 - Preserve flexibility in 2027 for future enhancements
- Roadmap changes will result in more durable market design:
 - Taking time to address feedback from regulators and stakeholders
 - This feedback has identified areas for discussion, analysis and refinement
 - Durable market policy outcome requires sufficient time for:
 - Analysis
 - Stakeholder engagement
 - Thoughtful consideration of competing perspectives

Deferred 2026 WEM Governing Body and Board of Governors decisions

Deferred near-term policy decisions to allow additional stakeholder engagement, reducing the risk of premature decisions on complex issues:

- **Price Formation Enhancements (market power mitigation and scarcity pricing):**
 - Defer the anticipated policy decision to 2027
- **Demand and Distributed Energy Market Integration:**
 - Defer the anticipated policy decision to 2027
- **Defer Resource Adequacy Enhancements**
 - Track 2: outage substitution and availability incentive mechanism defer to Q1 2027
- **Congestion Revenue Rights**
 - Additional scope moved to next year
 - There are emerging issues that we are exploring for a potential decision in 2026

Refocusing Demand and Distributed Energy Initiative (DDEMI) on emerging priorities

Rather than emphasizing export functionality, redirect DDEMI efforts toward areas that appear to offer more immediate value to the market:

- Large load participation in markets
- Large load flexibility
- Resource adequacy and resource sufficiency considerations associated with large loads

Slowing the pace of other initiatives to build stakeholder engagement and support

EDAM Congestion Revenue Allocation

- Proceed with the existing timeline for EDAM Congestion Revenue Allocation
- Post Straw Proposal in 2027 with decision in late 2027

– Storage Modeling Enhancements:

- Delay posting of draft final proposal related to storage modeling to 2027

– Resource Adequacy:

- Evaluate whether there is sufficient stakeholder support to proceed this year

– Intertie Modeling and Pricing

- Evaluate whether there is sufficient stakeholder support to proceed in near term

Continue advancing priority initiatives

Maintain momentum initiatives that have strong stakeholder support, clear policy direction, or implementation readiness:

- **Storage Default Energy Bids (DEBs)**
 - Continue with posting of draft final proposal.
 - This initiative addresses concerns raised by market participants and DMM.
- **Commitment Cost Bidding Flexibility**
 - Approved Board of Governors and Governing Body policy
- **Seams**
 - Included in 2027 – 2029 Roadmap. This was one of the recommendations included in the BOSR's report.

Preserve flexibility in 2027 – 2029 roadmap

- Preserve flexibility in 2027-2029 roadmap for future enhancements
 - **Real-time ancillary service re-optimization**
 - Not included, recommend resubmittal
 - **Virtual Bidding**
 - Recommend consideration for 2028

Resources

- [Revised 2026 market policy roadmap](#)
- [2026 market policy catalog](#)
- 2026 [stakeholder submissions](#) to market policy catalog
- 2026 market policy catalog and roadmap [webpage](#)
- 2026 infrastructure policy catalog and roadmap [webpage](#)

Questions?

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