

December 5, 2025

Attn: Regional Issues Forum

Re: Puget Sound Energy Comments on November 7, 2025 Regional Issues Forum Enhancement Project Draft Final Proposal

Puget Sound Energy (PSE) appreciates the opportunity to comment on the Regional Issues Forum (RIF) Enhancement Project final draft proposal and the work the RIF has put into developing this proposal. The RIF enhancement project is a positive, forward-looking step to prepare stakeholders for the transition to the Stakeholder Representative Committee (SRC) envisioned by West-Wide Governance Pathways Initiative (Pathways) Step 2 Final Proposal. PSE generally supports the draft proposal. Specifically, PSE agrees that preparing SRC representatives for future engagement, piloting sector sponsors, and including indicative voting are good enhancements to increase stakeholder participation and ownership in the stakeholder process. Incorporating indicative voting into comment periods will help entities that may not have the time or available capacity to submit more detailed comments provide input. Indicative voting also provides a way to track stakeholder sentiment over the course of an initiative as policy discussions evolve.

Regarding the draft proposal's question on how the RIF should interact with policy initiatives and staff, PSE recommends that RIF comments and the sector sponsor pilots should focus on being facilitators of stakeholder perspectives to CAISO staff and the Western Energy Market (WEM) Governing Body, discussed in more detail below. Sponsors should not be focused on aligning initiatives with goals, but on ensuring initiatives are responsive to stakeholder issues and problems. The sponsor pilot initiative should be initiated by the CAISO, in coordination with the RIF, in mid-2026 following the launch of the Extended Day Ahead Market (EDAM). PSE recommends the pilot should focus on discussing seams issues with the goal of creating a seams strategy document that can guide further policy development. This issue received the highest prioritization by stakeholders in CAISO's 2025 Policy Initiatives Stakeholder Prioritization Survey.

Policy Initiatives Catalog and Roadmap:

- 1. Are there any additional considerations that you would propose to enhance the Catalog and Roadmap process other than those proposed in this draft final proposal?**
- 2. Do you support the proposed enhancements to the RIF's involvement in the catalog and roadmap process?**

PSE supports the RIF's proposal and believes it aligns with the SRC role for the catalog and roadmap process outlined in the Pathways Step 2 Final Proposal. The formal report suggested by the draft final proposal should be focused on compiling and organizing sector input to identify

common priorities, new initiatives, and give a voice to minority viewpoints within each sector. Additionally, it is critical that the views held by the category of stakeholders that are “other load-serving non-market participants” are also considered in all reporting and communicated to CAISO staff, consistent with the Pathways Step 2 proposal as those stakeholders do not have voting representation within the SRC. To that end, having stakeholders identify their most important initiative as an indicative vote within the final report could provide a high-level summary of what issues are critical to sectors and stakeholders. In coordination with CAISO staff, the RIF should focus on communicating these stakeholder positions and being a conduit of information between stakeholders and staff. PSE thinks this is an appropriate level of coordination, while still leaving the role of advancing initiatives to individual stakeholders.

Sector Sponsor Pilot Program:

1. Are there other guidelines the RIF should consider for defining the sponsor role?

PSE agrees that sponsors should act as neutral facilitators that limit their advocacy in their role as a sponsor. For that reason, PSE is concerned with one of the proposed guidelines. The RIF outlines that the sponsors have the responsibility of acting as a “neutral facilitator to drive engagement and help ensure the initiative aligns with stakeholders’ goals.” While it may not always be the case, the sponsors needing to act as a neutral facilitator while also ensuring an initiative is aligned with stakeholder goals are two guidelines that can be in tension with each other. When stakeholder goals for an initiative are different, how would a sponsor choose which goal to align the initiative with while remaining neutral? This could fall within a sponsor’s role of facilitating compromise, but compromise may not always be possible. The sponsor is expected to balance the dual responsibility of participating on behalf of their company but limiting their advocacy for their own interests and thus it is reasonable that sponsors should limit their advocacy for others’ interests as well.

A neutral facilitator should focus more on whether stakeholder goals are being communicated to, heard, and understood by Staff. Sponsors should uplift stakeholder voices, especially minority ones, and identify consensus where possible, but the RIF, and the SRC in the future, should be mindful of the potential for a sponsor to influence or set the goals of an initiative. Instead of ensuring the initiative aligns with stakeholder goals, the guideline should be that sponsors ensure initiatives remain responsive to stakeholder input and issues. This changes the focus from aligning the initiative to a specific set of goals to ensuring that stakeholders are heard, considered, and responded to by Staff. Alternatively, the RIF can rely on the language from the Pathways Step 2 Final Proposal in which the intended role of sponsors is to assure alignment of initiative problem statements with identified issues, essentially ensuring the initiative scope is aligned with the proposed issues.

2. Is there a particular initiative from the 2025 Policy Initiatives Catalog that you believe the RIF should consider for piloting the sponsor role?

PSE agrees that selecting two co-sponsors for the pilot initiative is a good idea to split the work of facilitating stakeholder engagement and that, ideally, the pilot should be on a new initiative to test the responsibilities of the role throughout the entire process of drafting problem statements

through a final end product. It is possible that this approach could lead to the pilot not concluding before the SRC is established, but the pilot sector sponsors should be able to facilitate transition of the initiative to the SRC sector sponsors. Many of the initiatives outlined in the 2026-2028 roadmap are ongoing with complex histories and interactions, which limits the choice of available pilots. Requiring a new initiative for the pilot would limit consideration to either EDAM implementation, which PSE doesn't believe is appropriate as a test initiative due to its wide scope and focus primarily on the EDAM entity sector, or the Finance Enhancements initiative, which seems to have a narrow focus on the CAISO revenue requirement that also is not an appropriate trial for a sponsor pilot seeking to drive stakeholder engagement. The RIF does have a more suitable option for a pilot initiative.

In the 2025 Policy Catalogue and Roadmap the issue that was the highest priority, and garnered the most support, was an initiative evaluating internal and external market seams issues.¹ Going into 2026, the footprints for Markets+ and EDAM are more certain than at the start of 2025. Presumably it will take time for the RIF to find sponsors and coordinate with CAISO to start a new initiative for the pilot. An initiative to begin discussion and identification of important seams issues among stakeholders can start after EDAM launch, giving time to find sponsors and to allow CAISO and EDAM entities to focus on EDAM implementation. This would also be in alignment with the recent FERC Staff Whitepaper on Seams Coordination in the Western Interconnection, recommending stakeholders discuss seams issues specifically on transmission modeling, coordination to maintain reliability and manage congestion, and coordination to enhance economic benefits. The goal for the first phase of this initiative might be to produce a strategy document, similar to the Markets+ Seam Working Group's Seams Strategy and Roadmap, that identifies the types of issues that should be addressed when developing seams agreements and providing an outline of the desired outcome of addressing those issues. This approach would mean that Sponsors are working on an initiative that is largely policy driven, does not have direct or immediate market or financial impacts, and has a concrete deliverable. Such a project is suitable for the Sponsor's role of facilitating engagement and identifying consensus.

Indicative Voting:

- 1. Which report types would be the most helpful when reporting the indicative voting results?**
 - a. Examples: by region, generator only, load only, combined generation and load stakeholders**
- 2. Which report types would be the most helpful when reporting indicative voting results? Provide any additional indicative voting reports that should be considered.**

The most useful types of reporting for indicative voting are by SRC sector, which represents the entities' economic relationship to the market, as well as by region, which represents entities' geographic relationship to the market. These could be by WECC Western Assessment Subregions, which groups regions for resource adequacy assessment purposes. The RIF could use another regional assessment, like NERC subregions, provided those regions group entities who would have similar geographic operating characteristics of their grids. Geographic representation

¹ 2025 Policy Initiatives Catalogue, tables 3 and 4 on p. 6.

may be complicated by multi-state entities, advocacy groups, or consultants, but some method for accounting for this representation is conceivable as long as votes are not double counted in multiple regions. Considering SRC sectors from the start should reduce the necessary work in the future to shift the voting systems over from the RIF to the SRC once it is established.

Function and Purpose of the RIF:

Stakeholder perspectives on RIF's role and process for providing comments on behalf of the RIF.

For similar reasons to why PSE agrees with sponsors being neutral facilitators, the RIF should focus on being a neutral communicator of stakeholder perspectives to staff while also identifying areas of consensus. The RIF would summarize sector comments or tabulate voting results in reports for presenting to the Governing Body. This process could take a similar form to the process used in providing input in the Policy Roadmap process, with soliciting stakeholder comments and roundtable discussions resulting in a final report.

Facilitate Transition of the RIF into SRC:

Are there any additional actions that would be important for the RIF and Pathways to consider in order to effectuate this transition?

PSE agrees with the RIF's perspective that when the SRC is fully established, the current RIF stakeholder body should be dissolved. At the point where the RIF has fully transitioned over to the new organization, it will be duplicative of the SRC. Considering the timing, the SRC could be considered 'fully established' when capable of conducting its business on its own, likely when the SRC has elected its Chair and Vice Chair, appointed representatives for all its sectors, and held its first full representation meeting.

* * * *

Please contact Cameron Reed at john.reed@pse.com or (425) 588-9785 for additional information about these comments. If you have any other questions, please contact me.

Sincerely,

/s/ Jessica Zahnow

Jessica Zahnow
Manager, Federal Regulatory Affairs
Puget Sound Energy
PO Box 97034, BEL10W
Bellevue, WA 98009-9734
(971) 200-6026
Jessica.Zahnow@pse.com