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ISO Board, WEIM Governing Body jointly adopt market rules affecting California and the West

Changes will improve the administration of the real-time electricity market

FOLSOM, Calif. – Several proposals related to rates and energy market rules that affect utilities in California and the West have been adopted by the California Independent System Operator (ISO) Board of Governors and the Western Energy Imbalance Market (WEIM) Governing Body.

During their joint meeting on Wednesday, the two governing bodies that have shared governance authority over market rules that apply to WEIM participants approved:

- An amendment to the Rules of Conduct governing ISO market participants that stipulates sanctions for violations. The ISO's [Track 1 Rules of Conduct review](#) resulted in limited change to eliminate disproportionate meter data penalties for small, long-term inaccuracies;
- The [2023 Cost of Service Study](#) which set rates and fees for current ISO Balancing Area Authority (BAA) participants while also establishing new rates for entities in the Extended Day-Ahead Market (EDAM). The rates are based on the time and resources required to provide services offered by the ISO;
- An 18.73% inflation adjustment to the [2023 variable operations and maintenance](#) default adder value to better reflect resources' operational capabilities and maintenance costs in the day-ahead and real-time markets.

"The actions we took will help refine our wholesale energy market and ensure that it continues to serve our participants and stakeholders while also maintaining reliable grid operations," said ISO Board of Governors Chair Mary Leslie. "It's been two years since we've implemented the shared authority governance model and it has enhanced collaboration and engagement between the two bodies."

Andrew Campbell, chair of the WEIM Governing Body, added, "The shared governance framework has benefited WEIM participants, stakeholders and electricity consumers throughout the West. Today's decisions are the result of the transparent and responsive policy- and decision-making processes that are the foundation of the WEIM market's success."

Following the joint meeting of the Board and WEIM Governing Body on Wednesday, the Board convened yesterday where it approved initial [EDAM Participation Rules](#), which will regulate how the ISO's own balancing area would participate in the EDAM.

The Board also conditionally approved the extension of [existing reliability must-run contracts](#) (RMR) for two energy resources in Oakland to help maintain local reliability conditions through 2024. An RMR designation requires resources to be available during critical times for grid operations.

For more information about the Board of Governors and WEIM Governing Body agendas, please visit the [Stay Informed page](#).

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The California Independent System Operator (ISO) is a nonprofit public benefit corporation dedicated, with its partners, to continuous improvement and secure operation of a reliable grid operated for the benefit of consumers. It provides comprehensive grid planning, open and nondiscriminatory access to one of the largest networks of high-voltage transmission power lines in the world, and operates a \$9 billion competitive electricity market. Recognizing the importance of the global climate challenge, the ISO is at the forefront of integrating renewable power and advanced technologies that will help provide a sustainable energy future efficiently and cleanly.

The Western Energy Imbalance Market (WEIM) is a real-time wholesale energy trading market that enables participants anywhere in the West to buy and sell energy when needed. The WEIM Governing Body is the governing authority designed by regional stakeholders and has shared authority with the ISO Board of Governors to resolve rules specific to participation in the WEIM.