

Notice

- To: ISO Board of Governors and Western Energy Markets Governing Body
- From: Elliot Mainzer, Chief Executive Officer Mark Rothleder, Chief Operating Officer
- Date: July 1, 2025

Certification of Satisfaction of Conditions to Implement West-Wide Re: **Governance Pathways Initiative Step 1 Governance Changes**

With this memorandum, the CAISO Chief Executive Officer and Chief Operating Officer certify that the prerequisite conditions for implementing the Step 1 proposal of the West-Wide Governance Pathways initiative have been satisfied, and the Step 1 governance changes are now effective.

The ISO Board of Governors and WEM Governing Body approved the Pathways Step 1 proposal on August 13, 2024, and, to implement this proposal, approved certain governance changes on November 7, 2024. These governance changes were to become effective later, according to a process described in Management's memorandum dated October 24, 2024, after utilities that collectively satisfy certain criteria about size and geographic diversity execute EDAM implementation agreements.

These criteria for effectiveness have now been satisfied with the recent commitment from Public Service Company of New Mexico. As a result, utilities representing load outside the CAISO balancing authority area that is collectively 75% of the load in the CAISO balancing authority area have executed EDAM implementation agreements. exceeding the 70% criteria. Moreover, these new commitments have sufficient geographic diversity because they include non-California entities each from the Northwest and the Southwest.

Accordingly, the following governance documents have been updated and are now on the corporate websites to reflect the approved changes: the corporate bylaws, Charter for WEIM and EDAM Governance, and Decisional Classification Guidance for the WEM Governing Body. In addition, Management has filed notice with FERC in Docket No. ER25-542 as was required for the tariff amendment, which FERC accepted on April 2, 2025, to become effective.

For additional information about the changes, see Management's memorandum of October 24, 2024, which is available here.