

WESTERN ENERGY MARKETS

Q4 2025 Report on Market Issues and Performance

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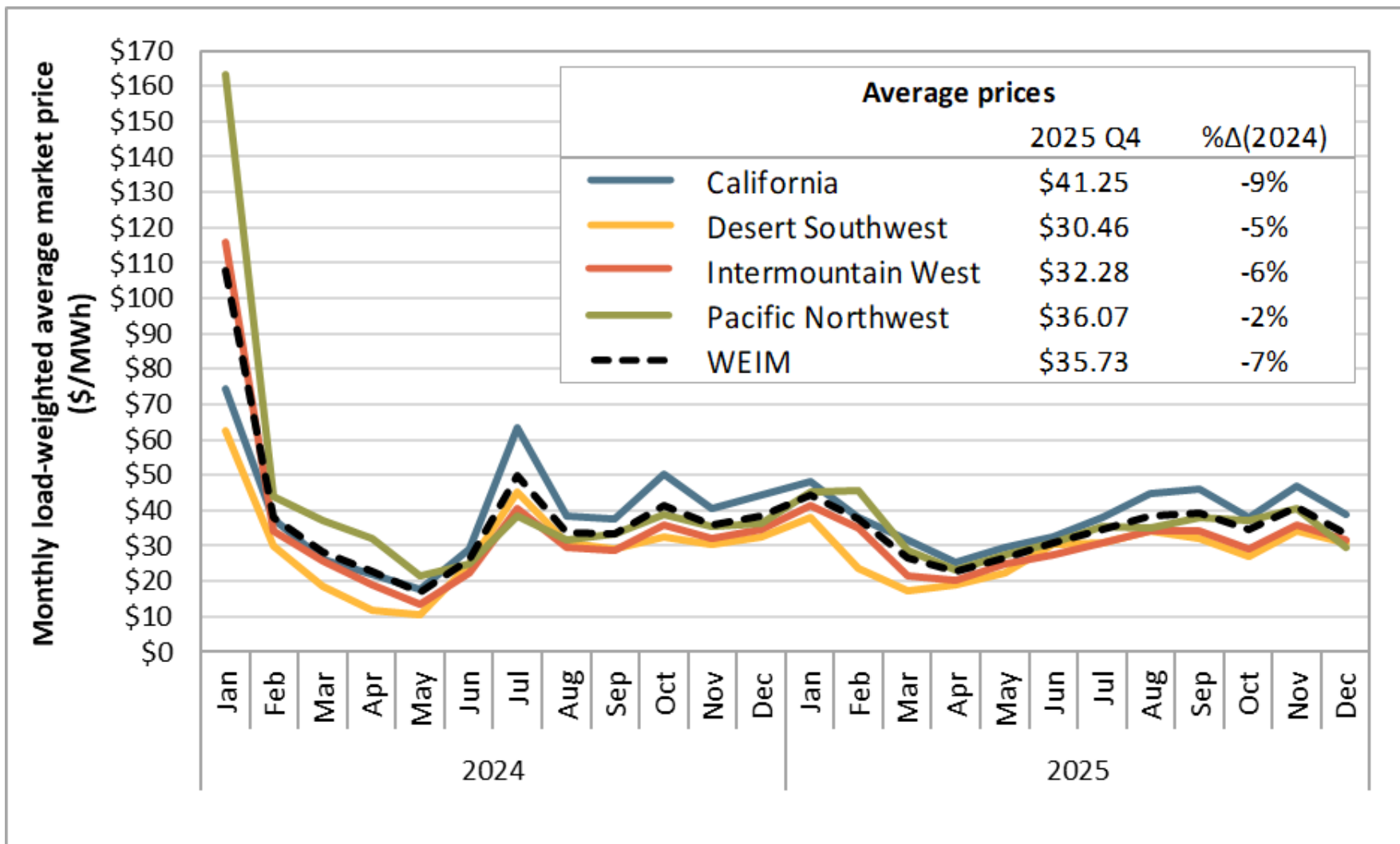
April 2, 2026

<https://www.caiso.com/documents/2025-fourth-quarter-report-on-market-issues-and-performance.pdf>



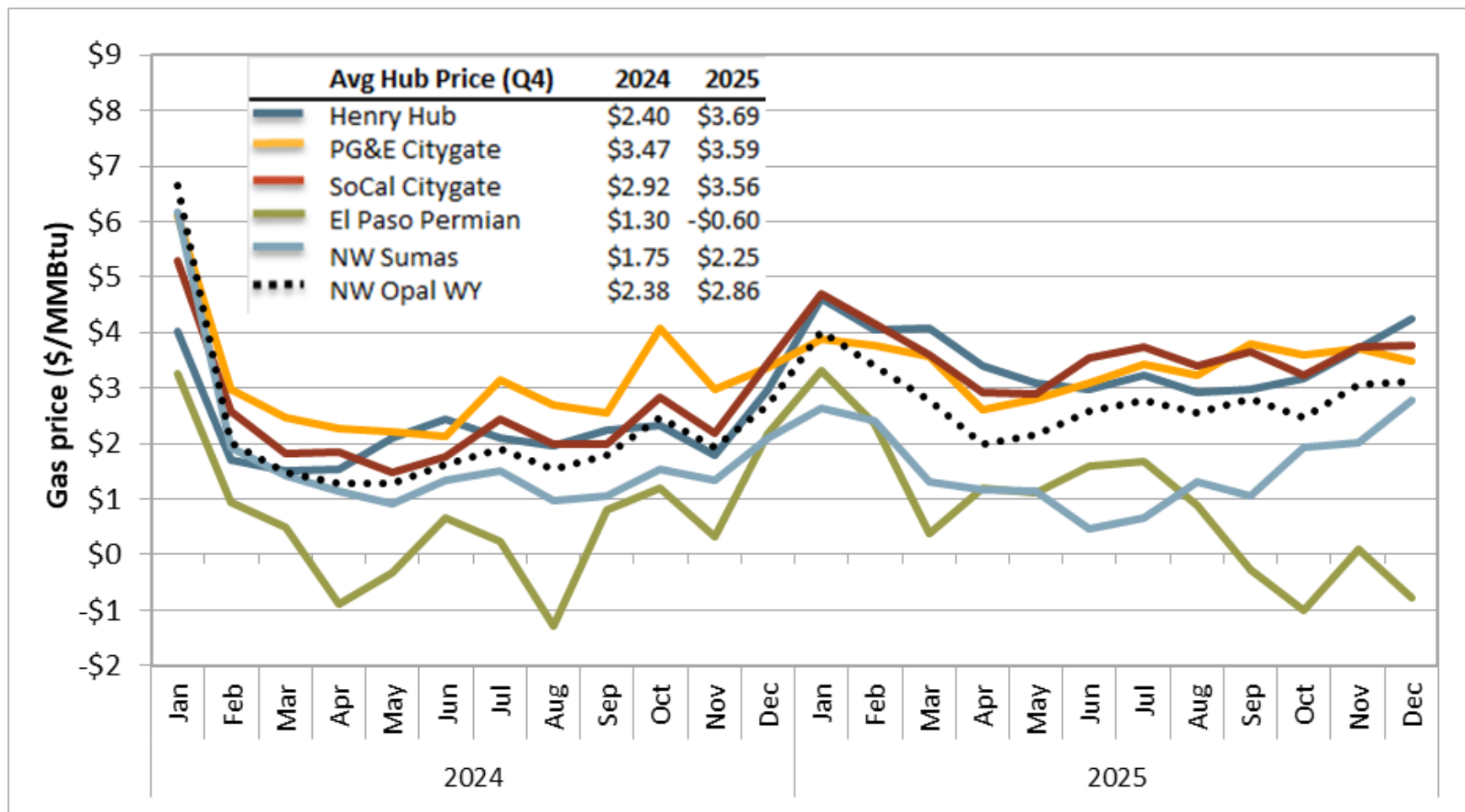
Electricity prices in West down 7% compared to Q4 2024

Weighted average monthly 15-minute market prices by region



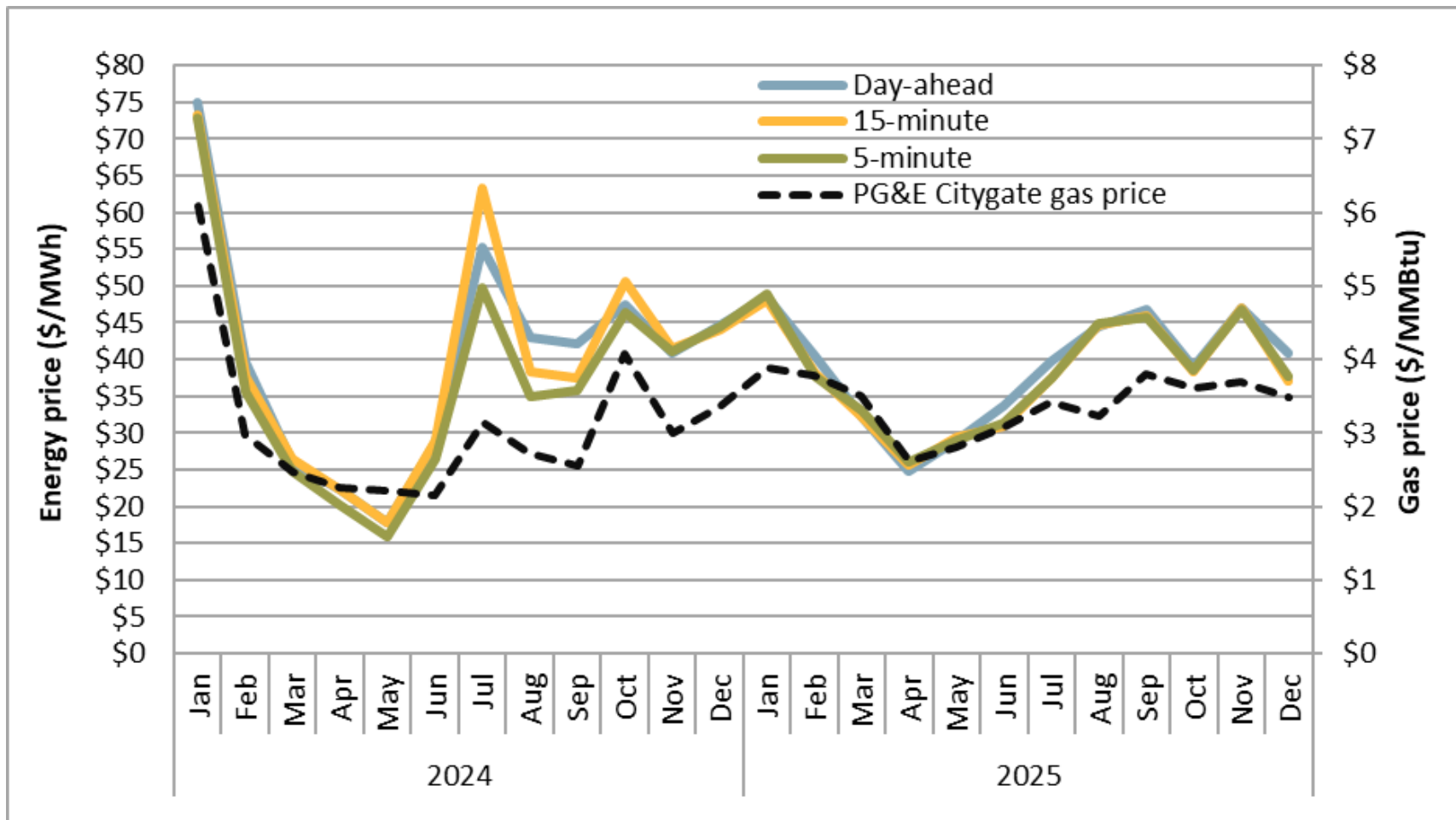
Gas prices up at most Western hubs compared to Q4 2024

Average monthly natural gas prices by hub



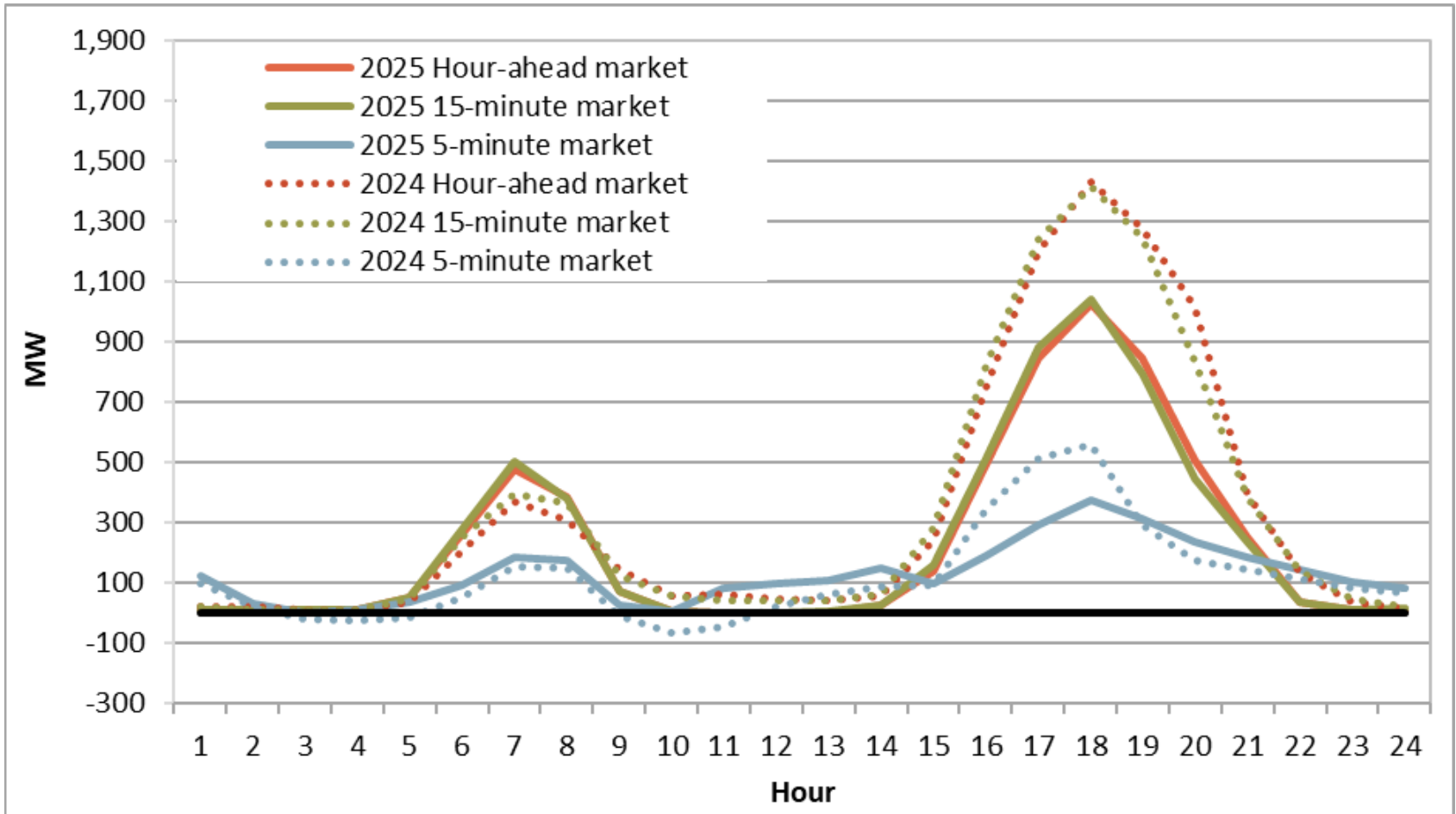
Continued correlation between natural gas prices and electricity prices

Monthly average PG&E Citygate gas price and load-weighted average electricity prices for balancing areas in day-ahead market



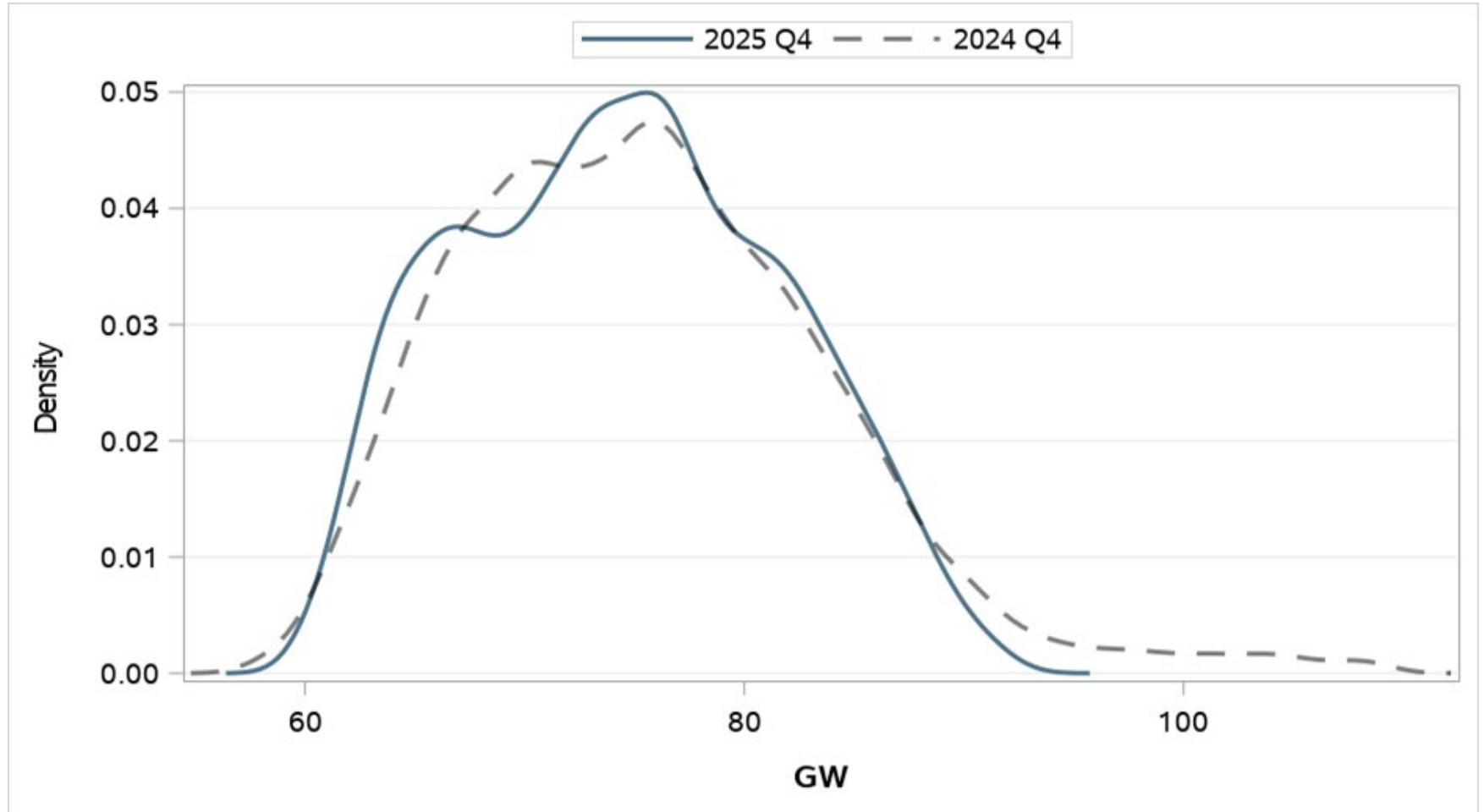
Decreased load adjustment in CAISO BA over net load peak

Average CAISO balancing area hourly imbalance conformance adjustment
(Q4 2024 and Q4 2025)



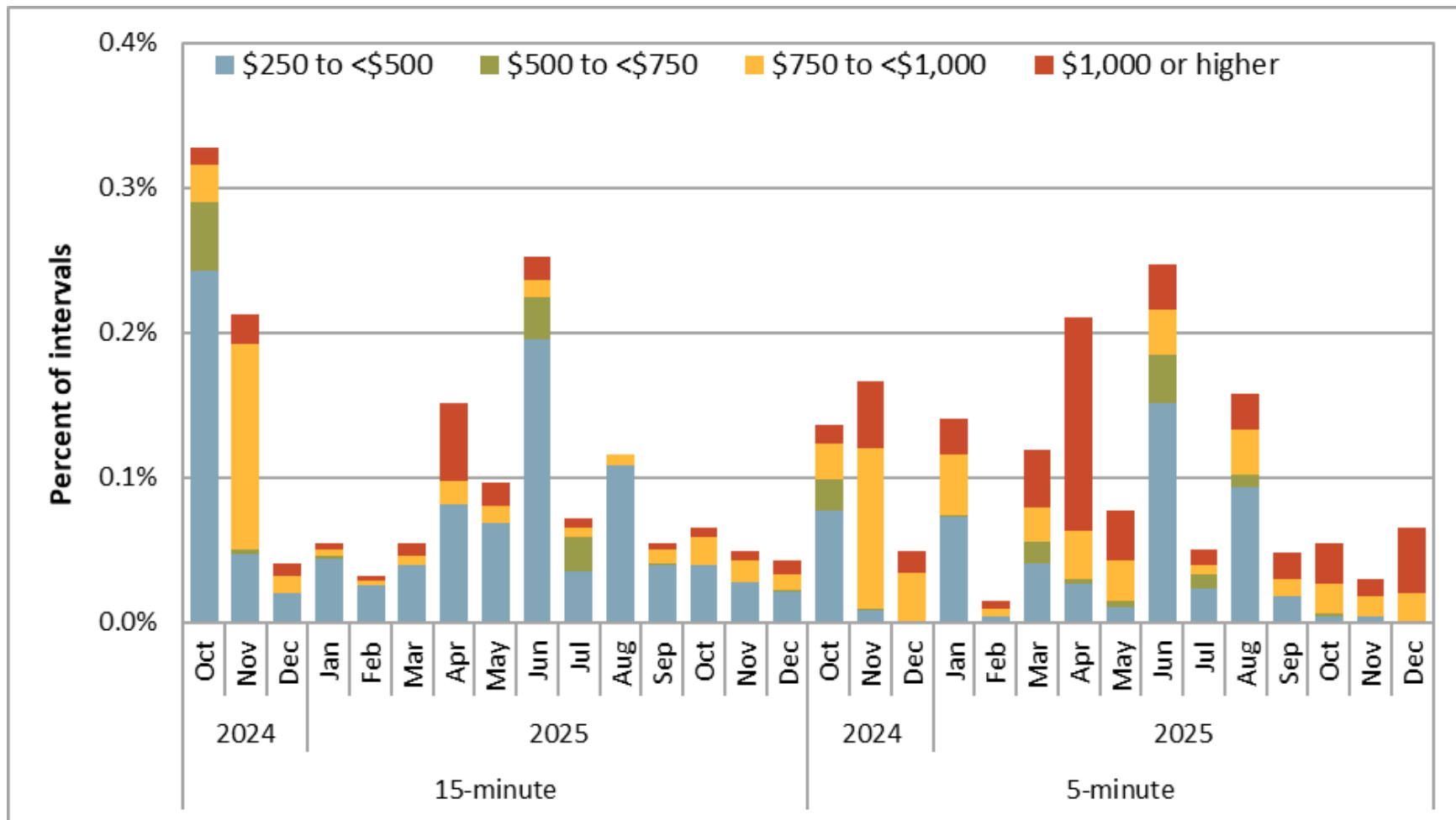
Less high load intervals in Q4 2025 than Q4 2024

Quarterly 5-minute market system load distribution



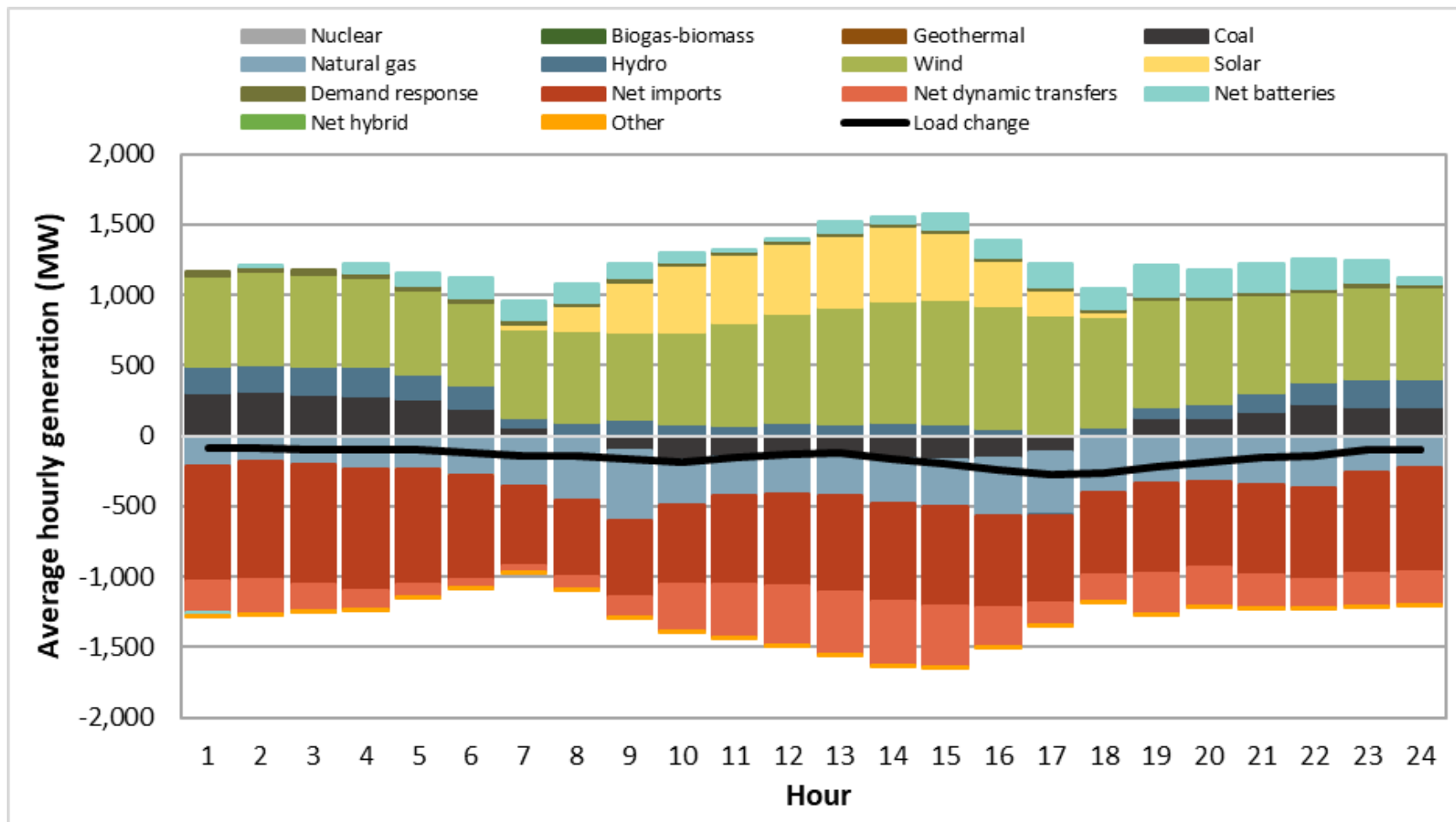
Lower frequency of high prices than Q4 2024

Frequency of high prices in BAAs participating only in the real-time markets



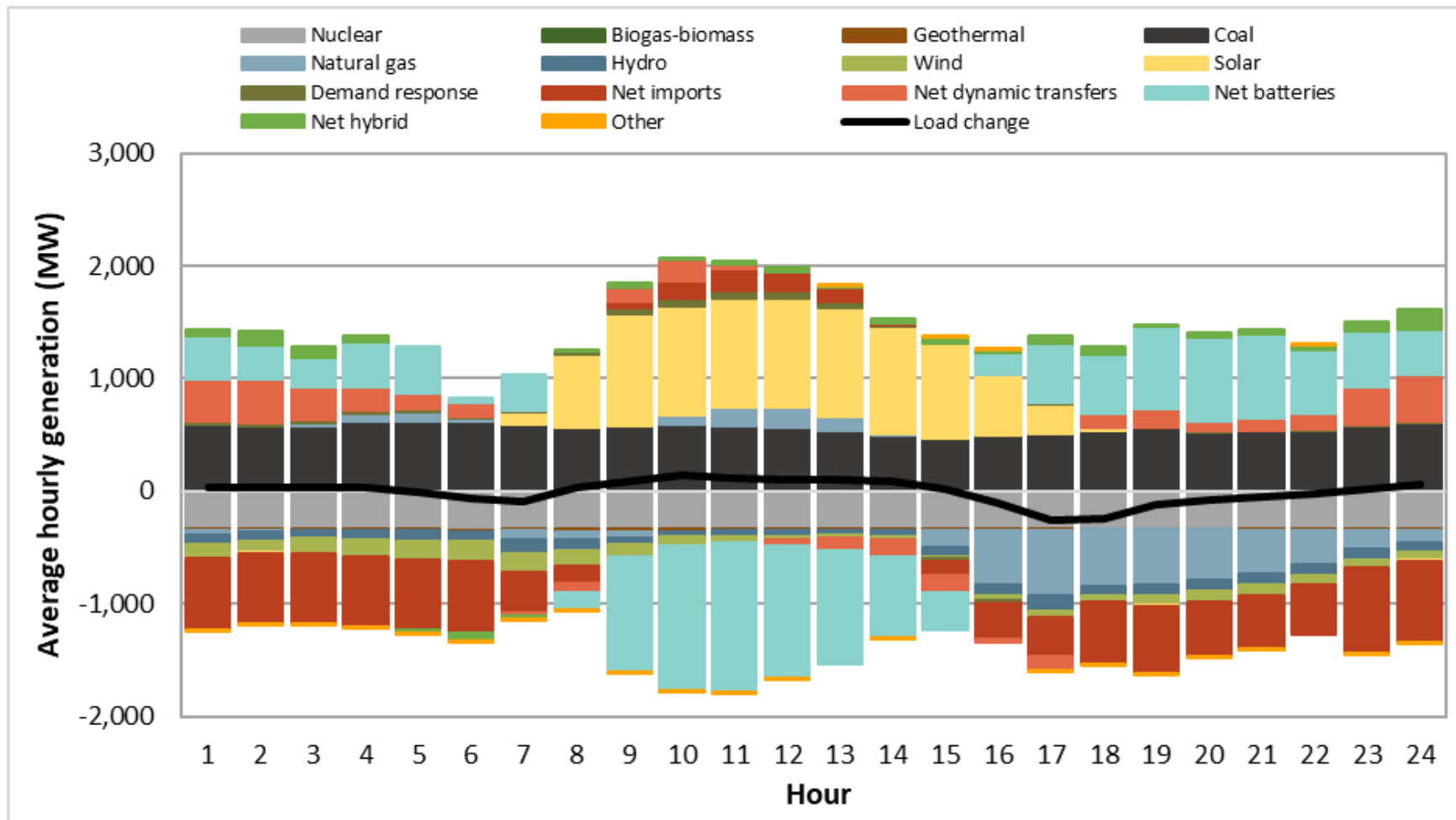
Change in average hourly generation by fuel type in the Intermountain West Region

Q4 2025 vs. Q4 2024



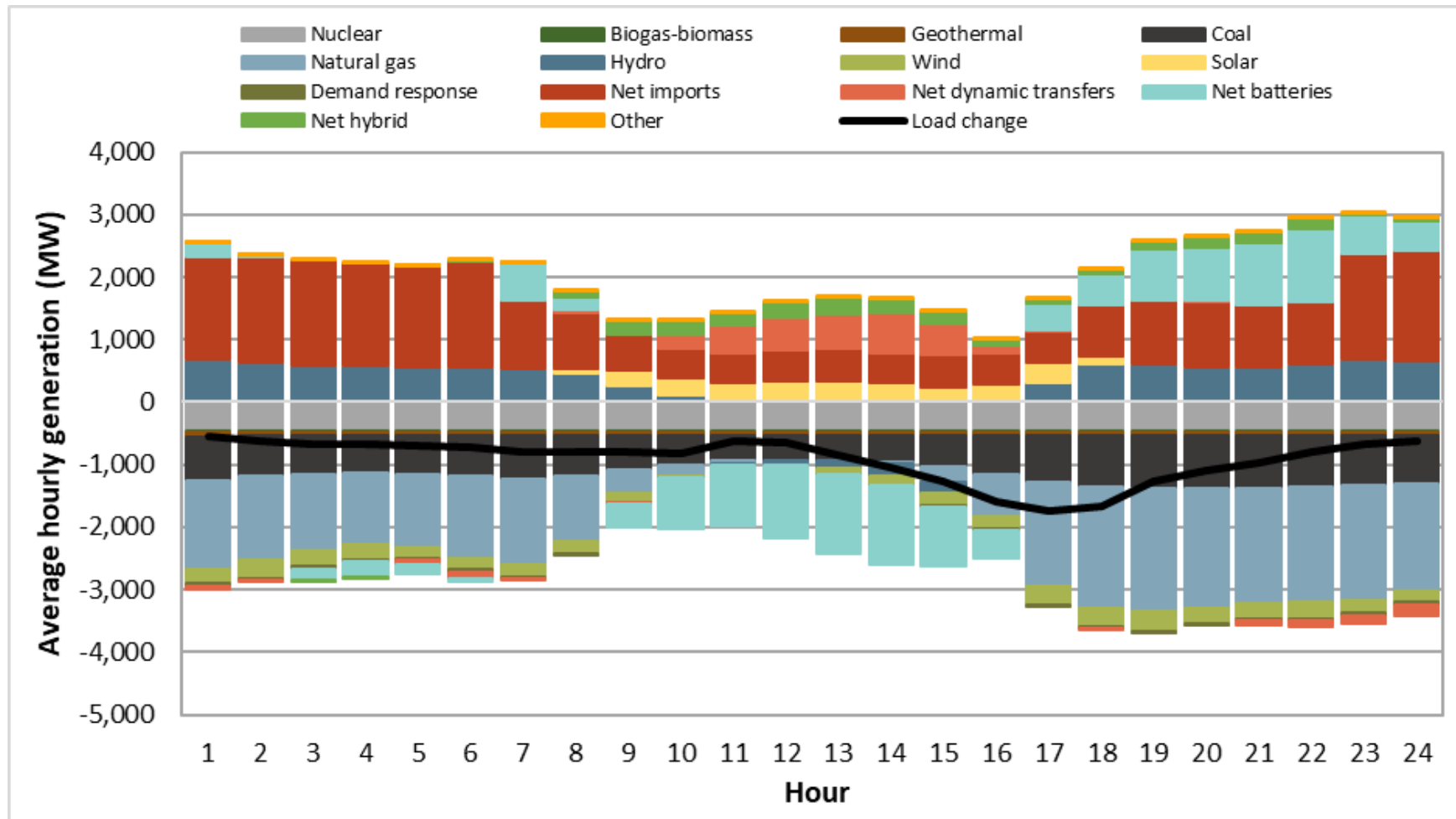
Change in average hourly generation by fuel type in the Desert Southwest Region

Q4 2025 vs. Q4 2024



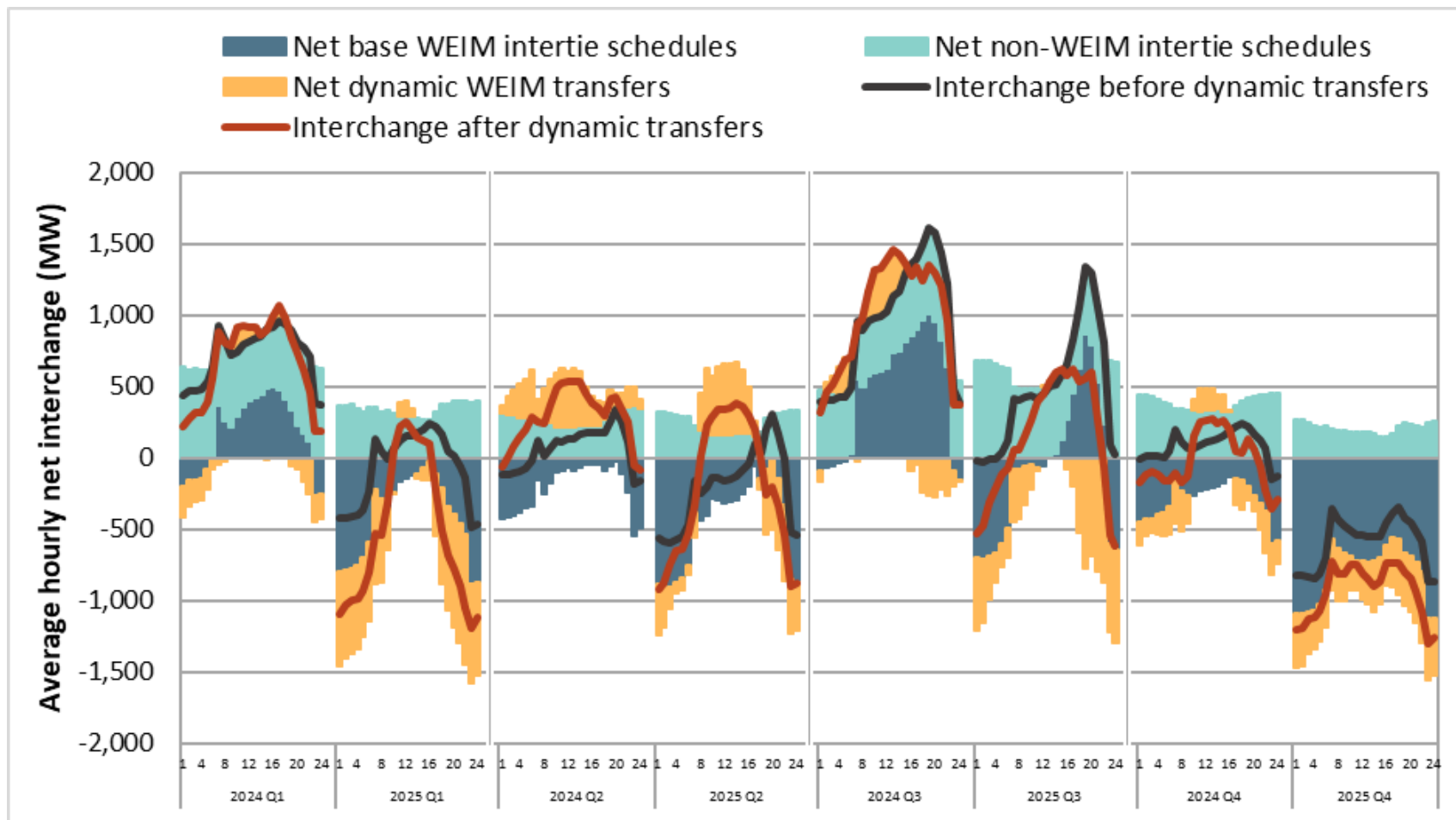
Change in average hourly generation by fuel type in the California Region

Q4 2025 vs. Q4 2024



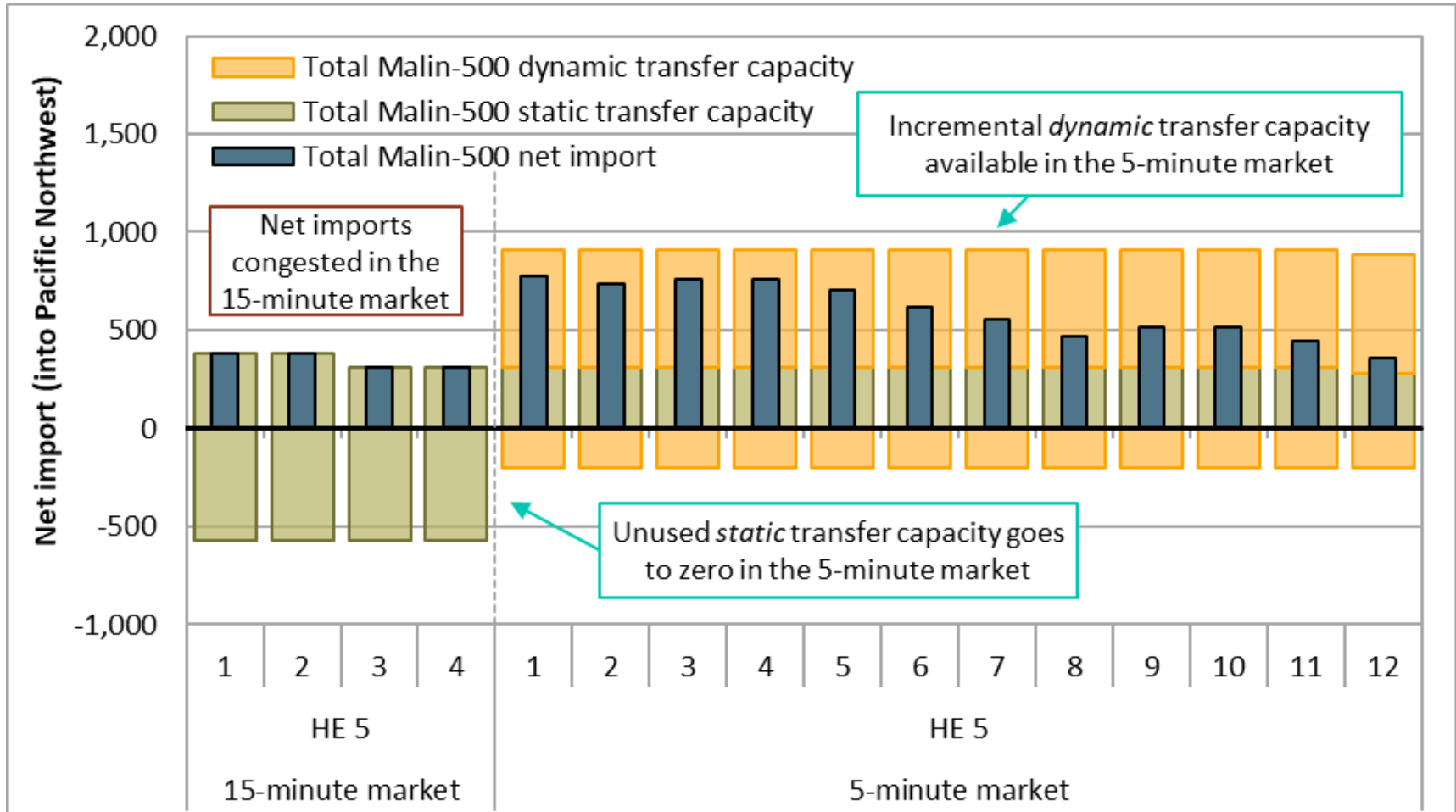
Intermountain West becomes net exporter across all hours

Intermountain West - Average hourly net interchange by quarter



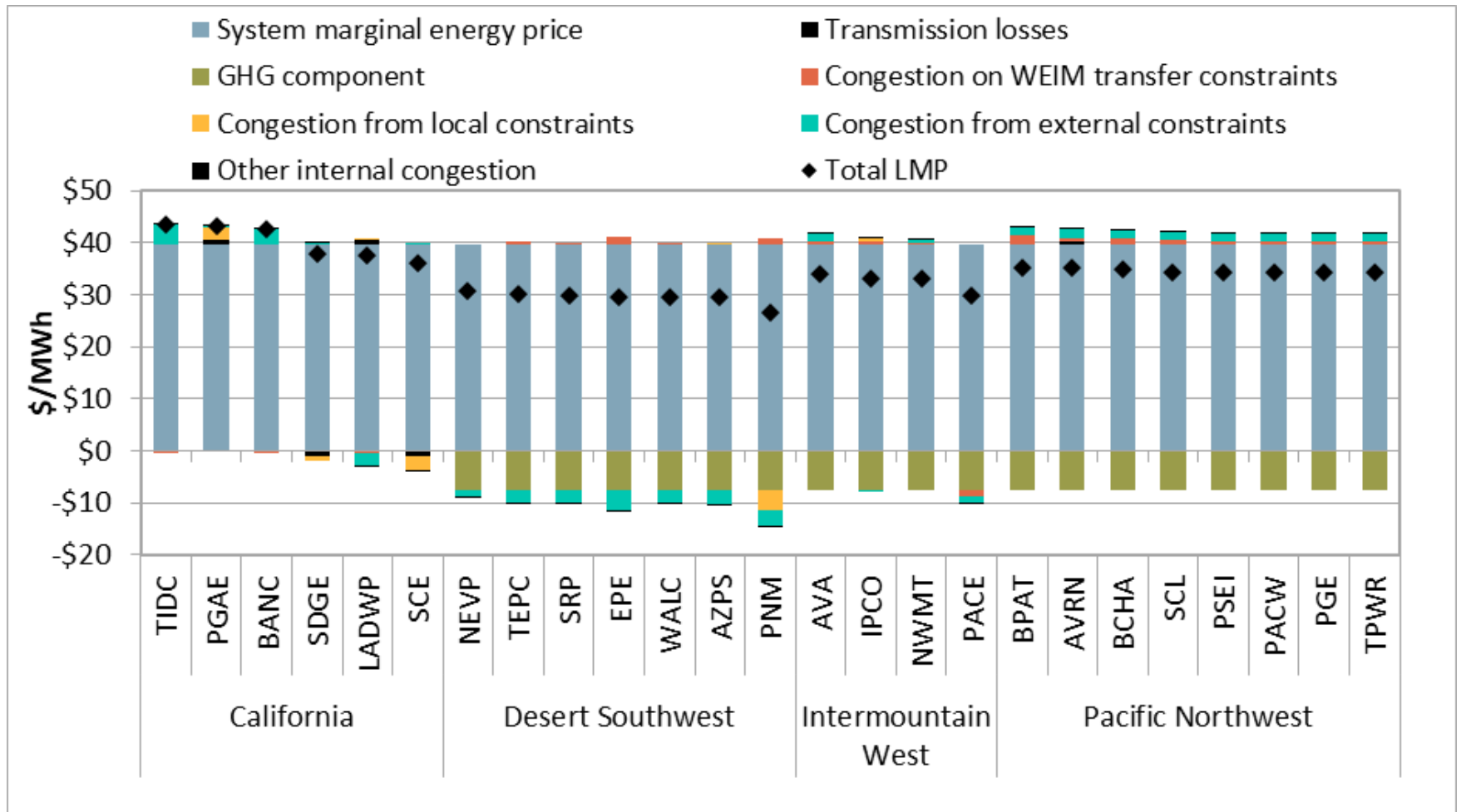
Additional transfer capacity between CA and PNW in 5-minute market creates less congestion in 5-minute market than 15-minute market

Total transfer capacity and net imports on Malin 500 into the Pacific Northwest
(November 25, 2025 HE5)



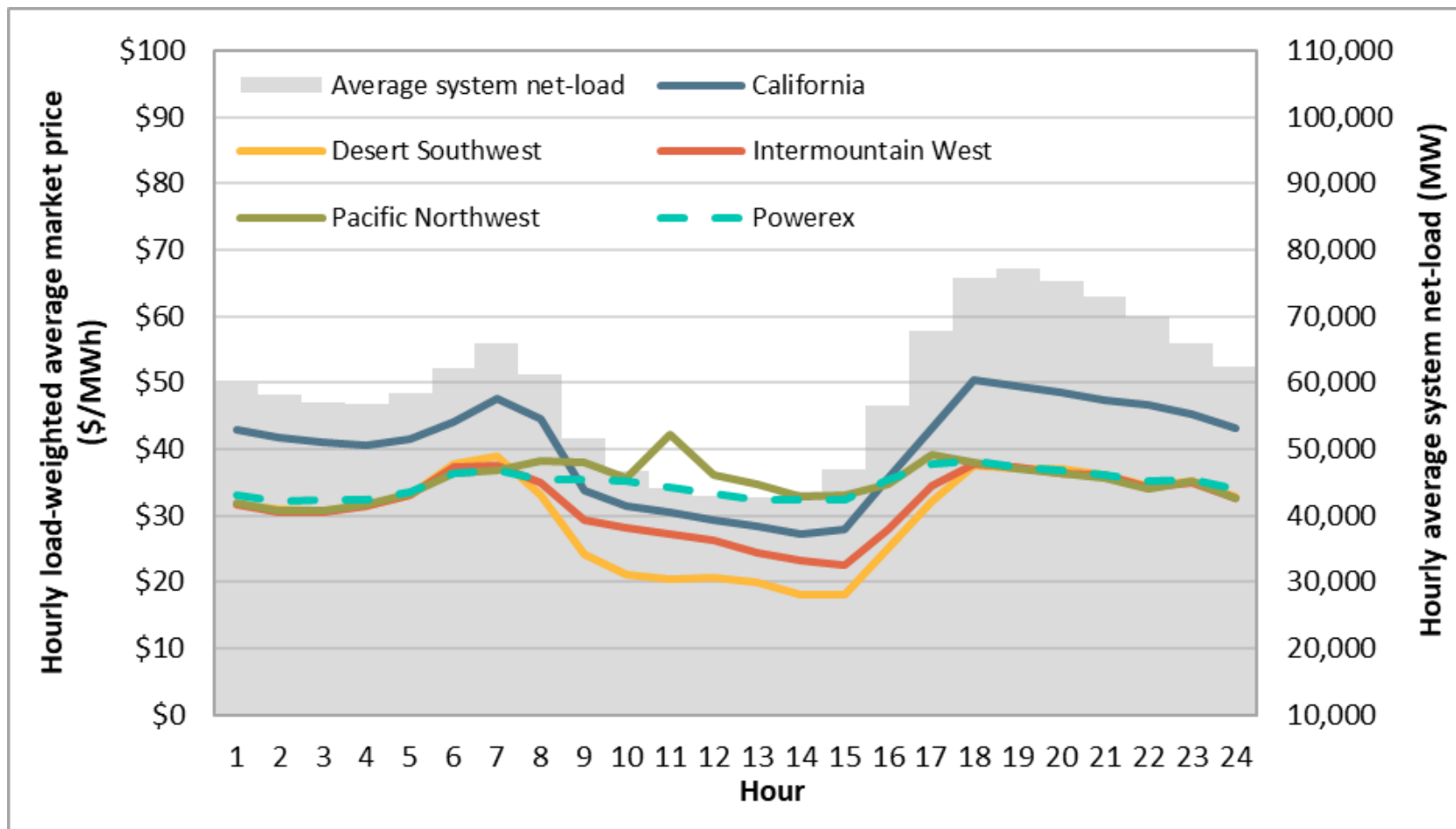
Average price separation driven largely by greenhouse gas costs in California

Average 15-minute market prices by component (October - December 2025)



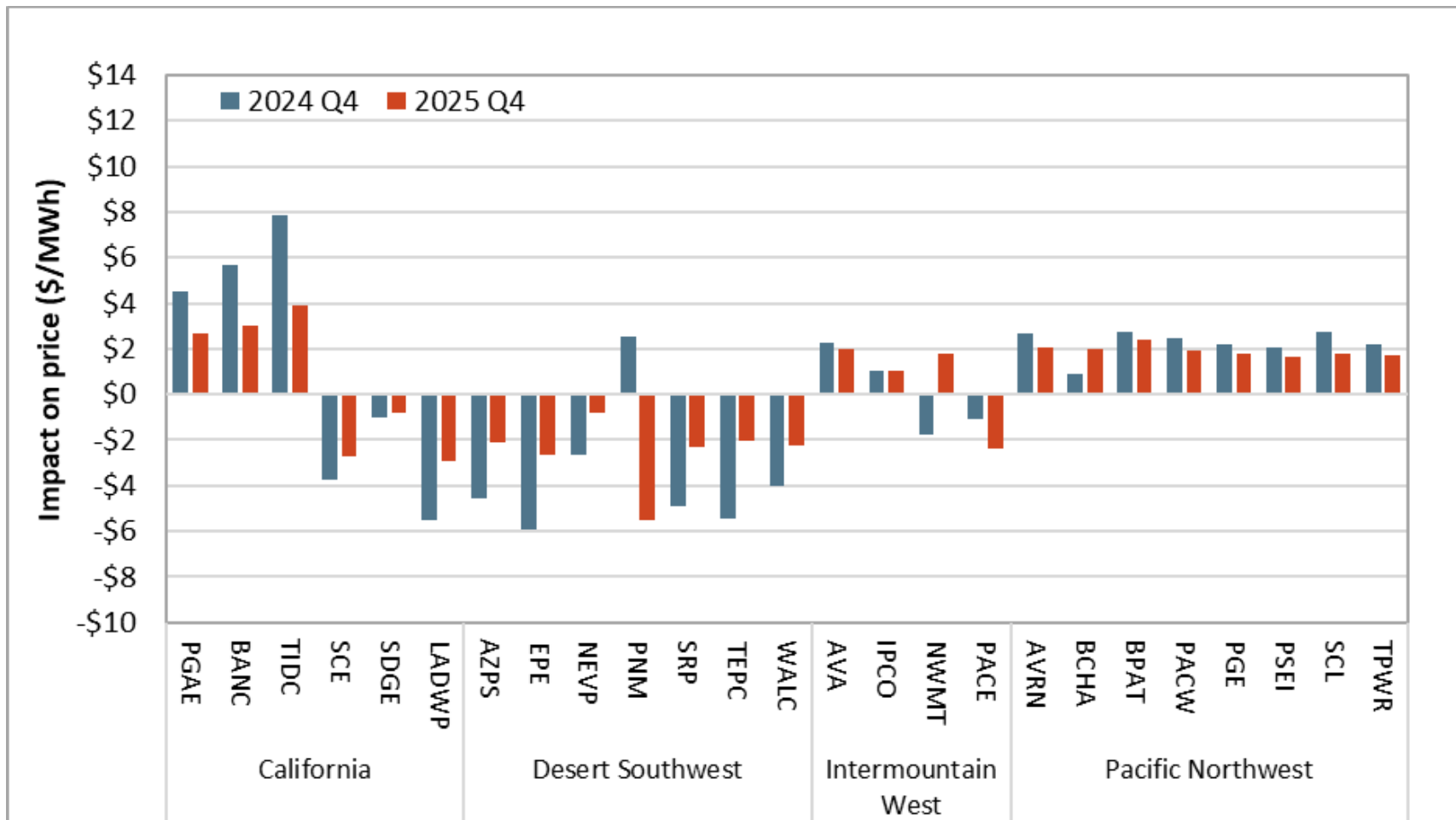
Higher prices in California for non-solar hours, Northwest for solar hours

Weighted average hourly 15-minute market prices by region (October – December 2025)



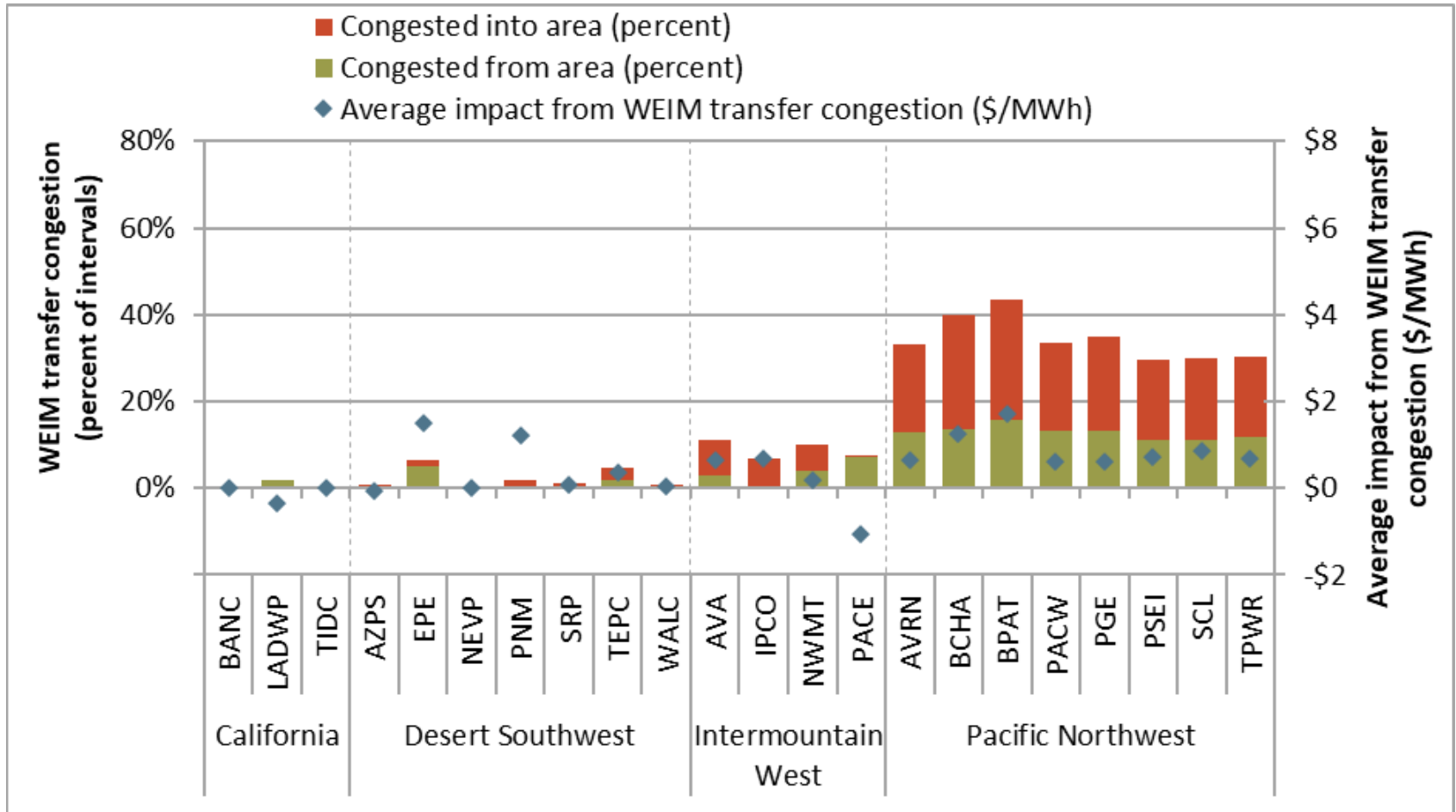
Congestion had less impact on price separation than in Q4 2024

Average impact of total congestion on real-time market price (2024–2025)



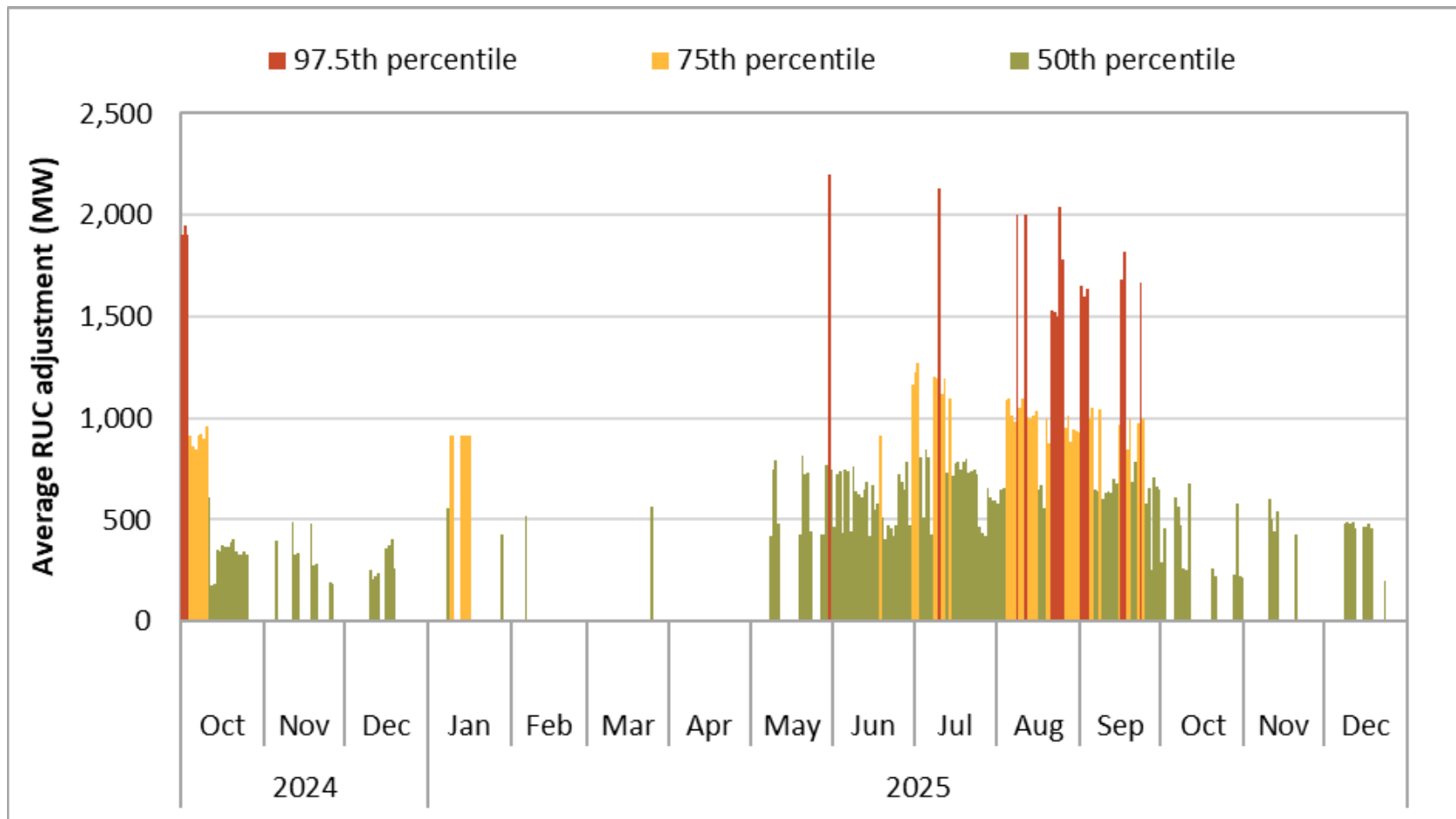
Pacific Northwest areas frequently transfer constrained

Frequency and impact of WEIM transfer congestion in the 15-minute market (Q4 2025)



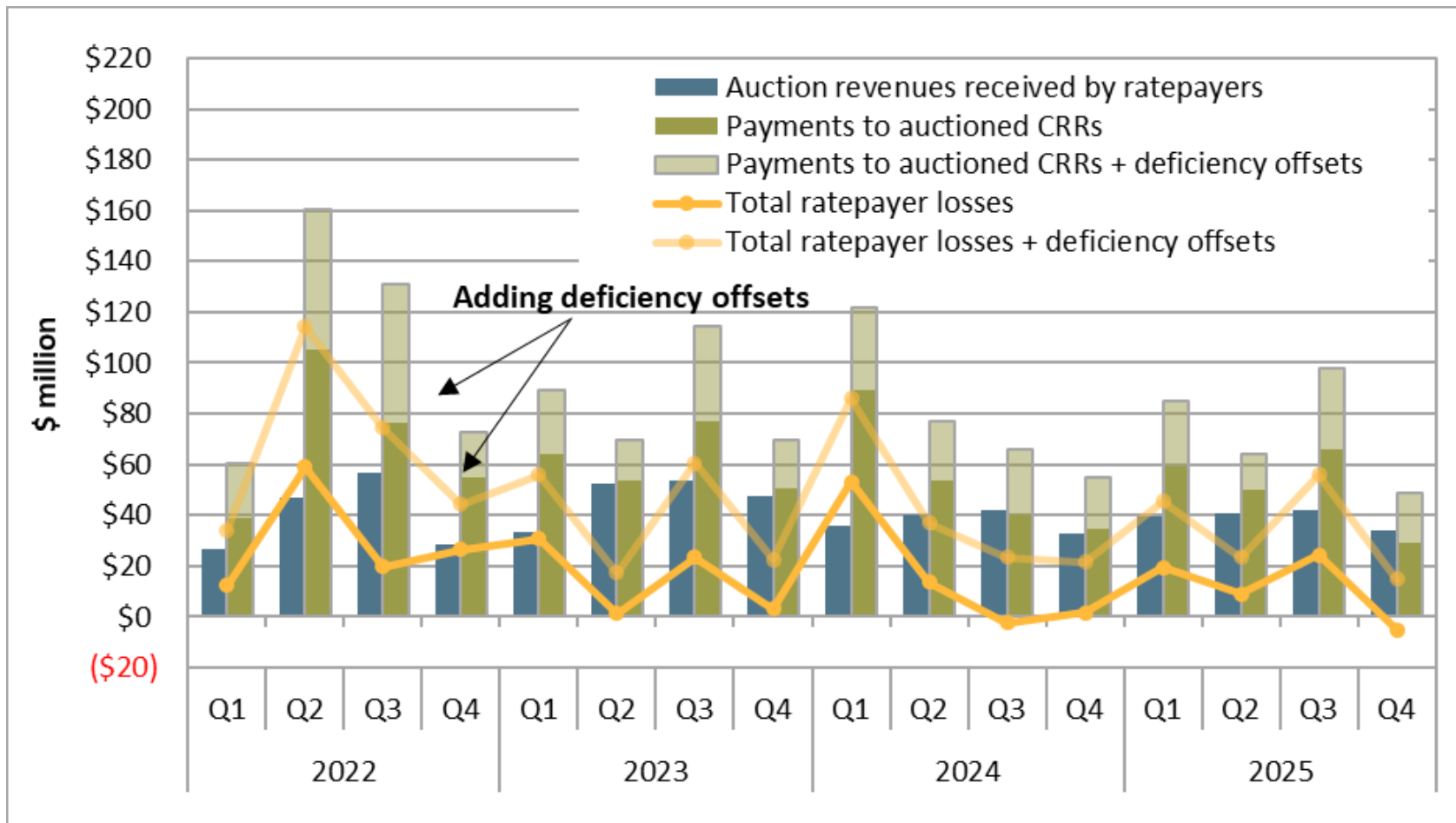
CAISO RUC adjustment targeted covering 97.5th percentile of uncertainty on 0 days in Q4 2025

Average residual unit commitment adjustment by day (all hours)



Transmission ratepayers made about \$5 million from auctioned CRRs in Q4 2025

Auction revenues and payments to non-load serving entities



For more information

- Q4 2025 report on market issues and performance
 - <https://www.caiso.com/documents/2025-fourth-quarter-report-on-market-issues-and-performance.pdf>
- Department of Market Monitoring webpage
 - <http://https://www.caiso.com/market-operations/market-monitoring>
- CAISO Tariff, Appendix P
 - <https://www.caiso.com/documents/appendix-p-california-iso-department-of-market-monitoring-as-of-jan-6-2025.pdf>
- Email questions to:
 - Ryan Kurlinski, rkurlinski@caiso.com
 - DMM, DMM@caiso.com