

WESTERN ENERGY MARKETS

Q2 2026 Report on Market Issues and Performance

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October 8, 2026

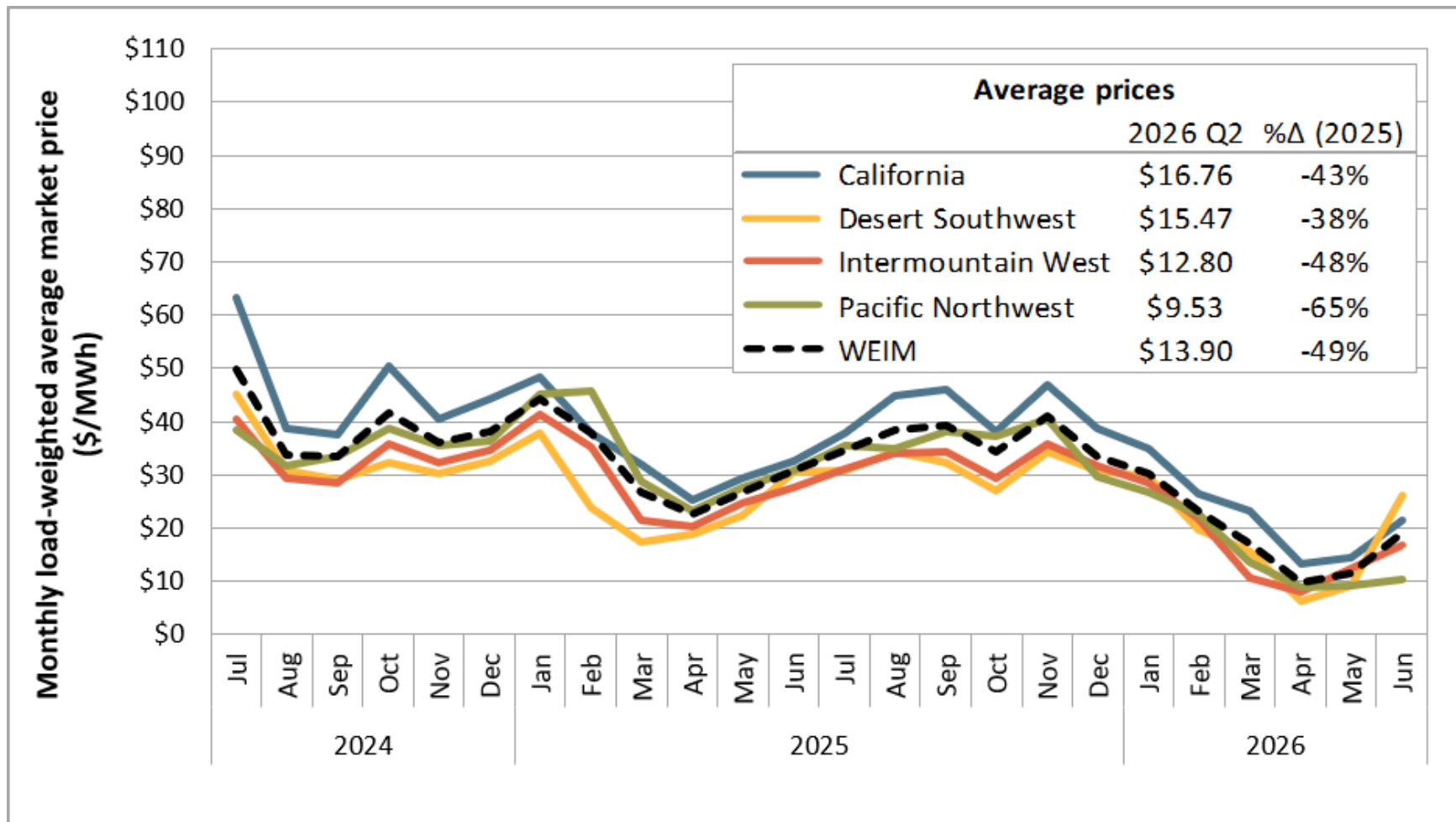
ISO Public

[2026-second-quarter-report-on-market-issues-and-performance.pdf](#)



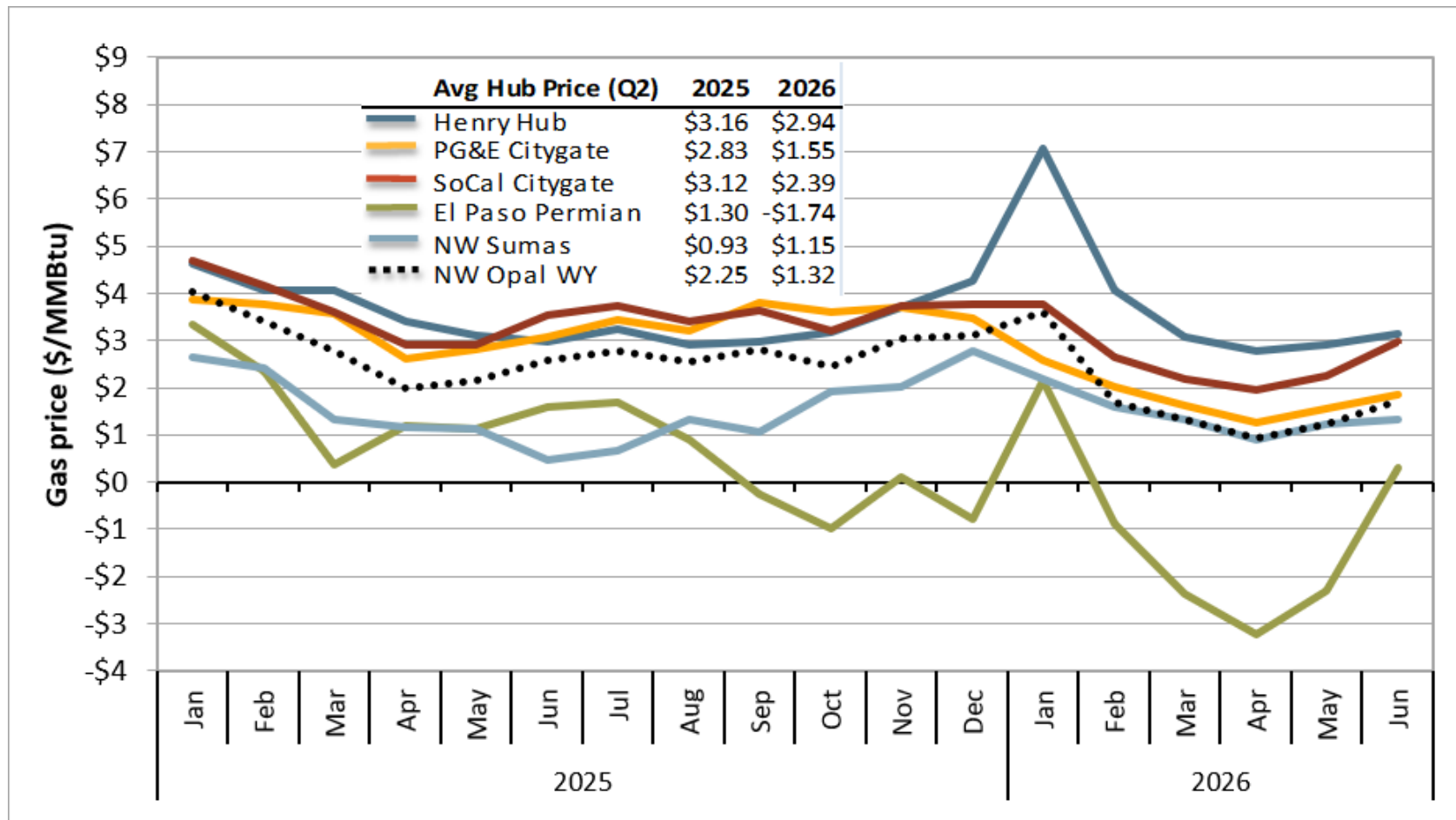
Electricity prices in West down 49% compared to Q2 2025

Weighted average monthly 15-minute market prices by region



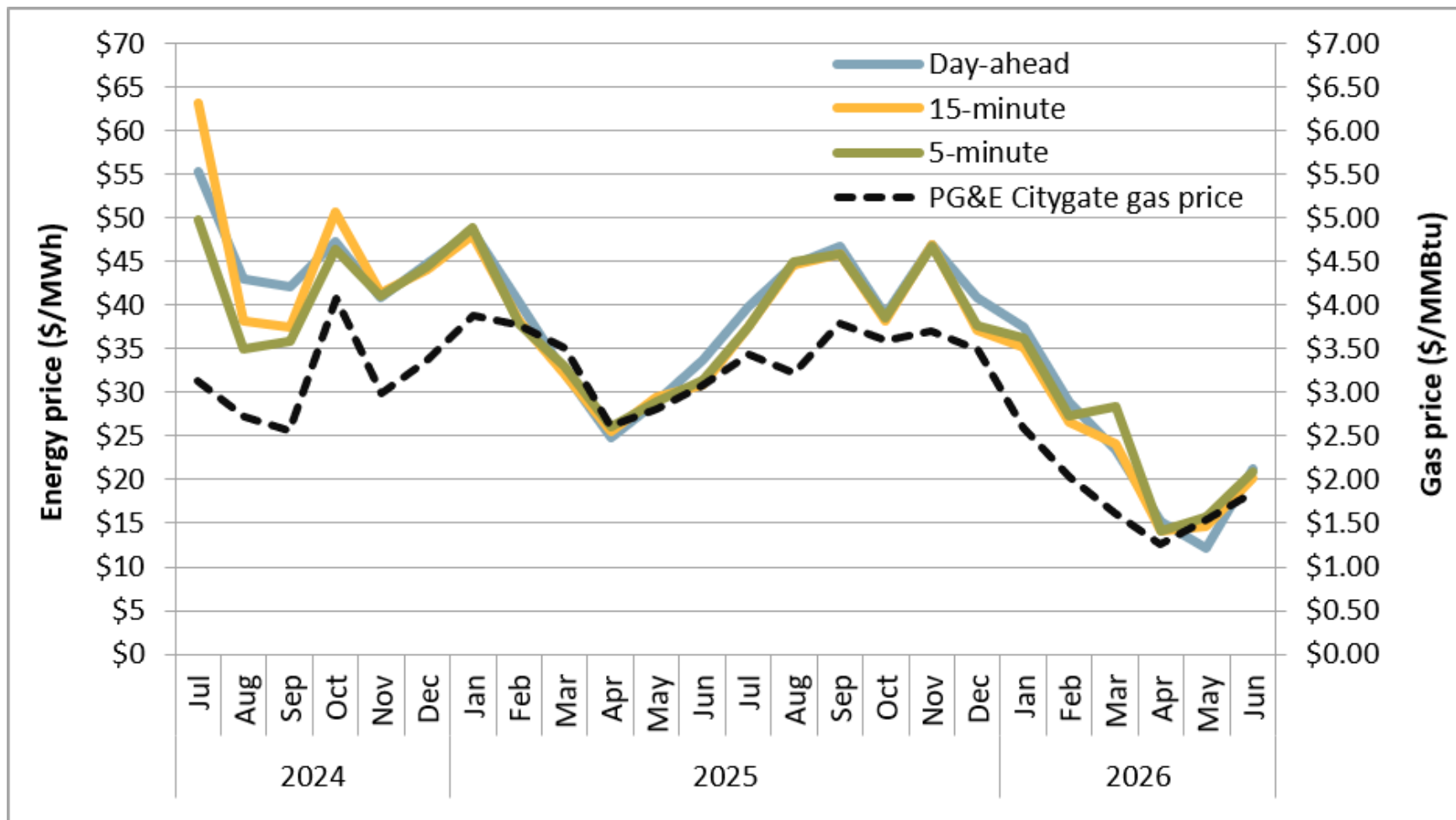
Gas prices down significantly at most Western hubs compared to Q2 2025

Average monthly natural gas prices by hub



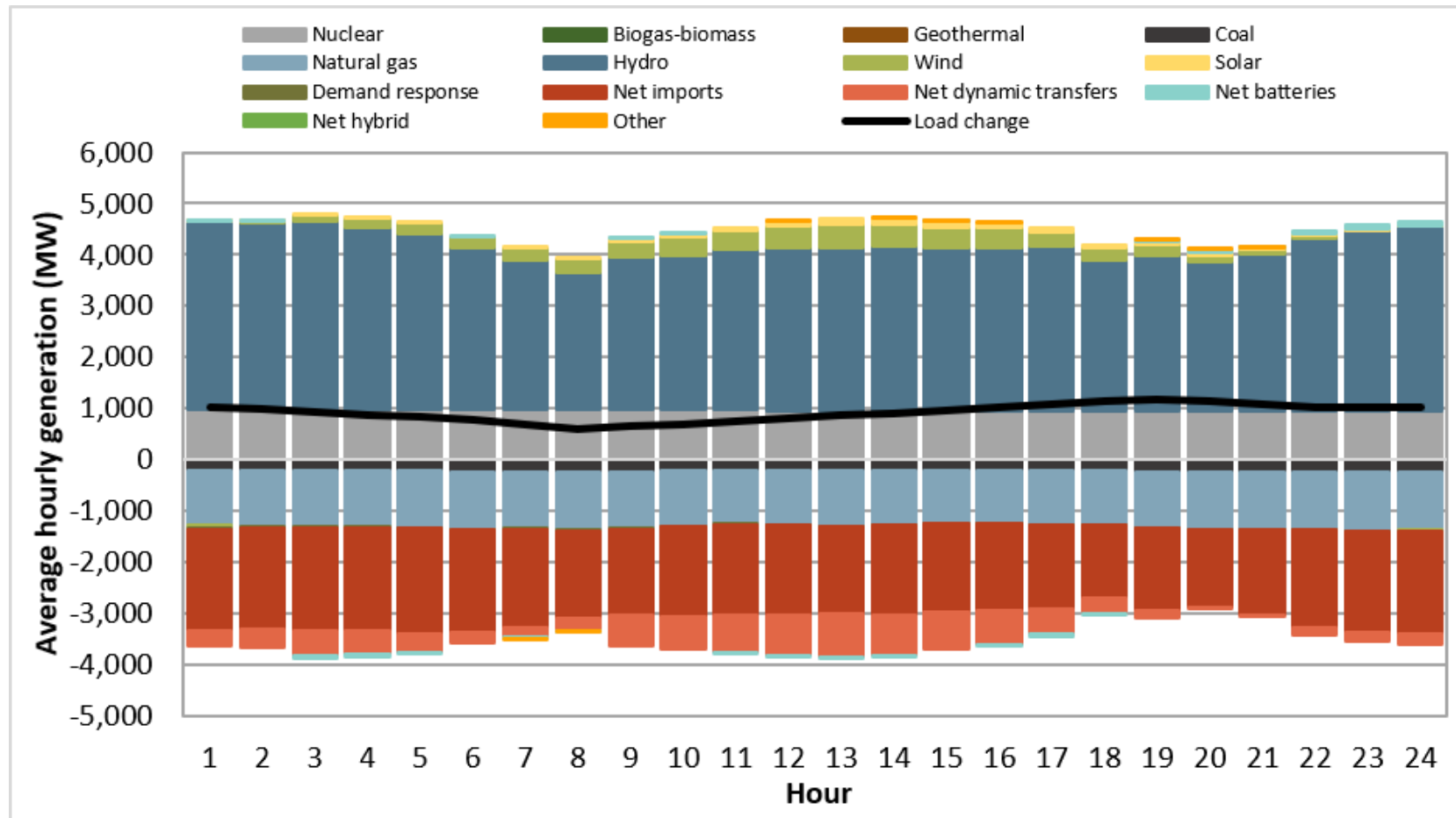
Continued correlation between natural gas prices and electricity prices

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



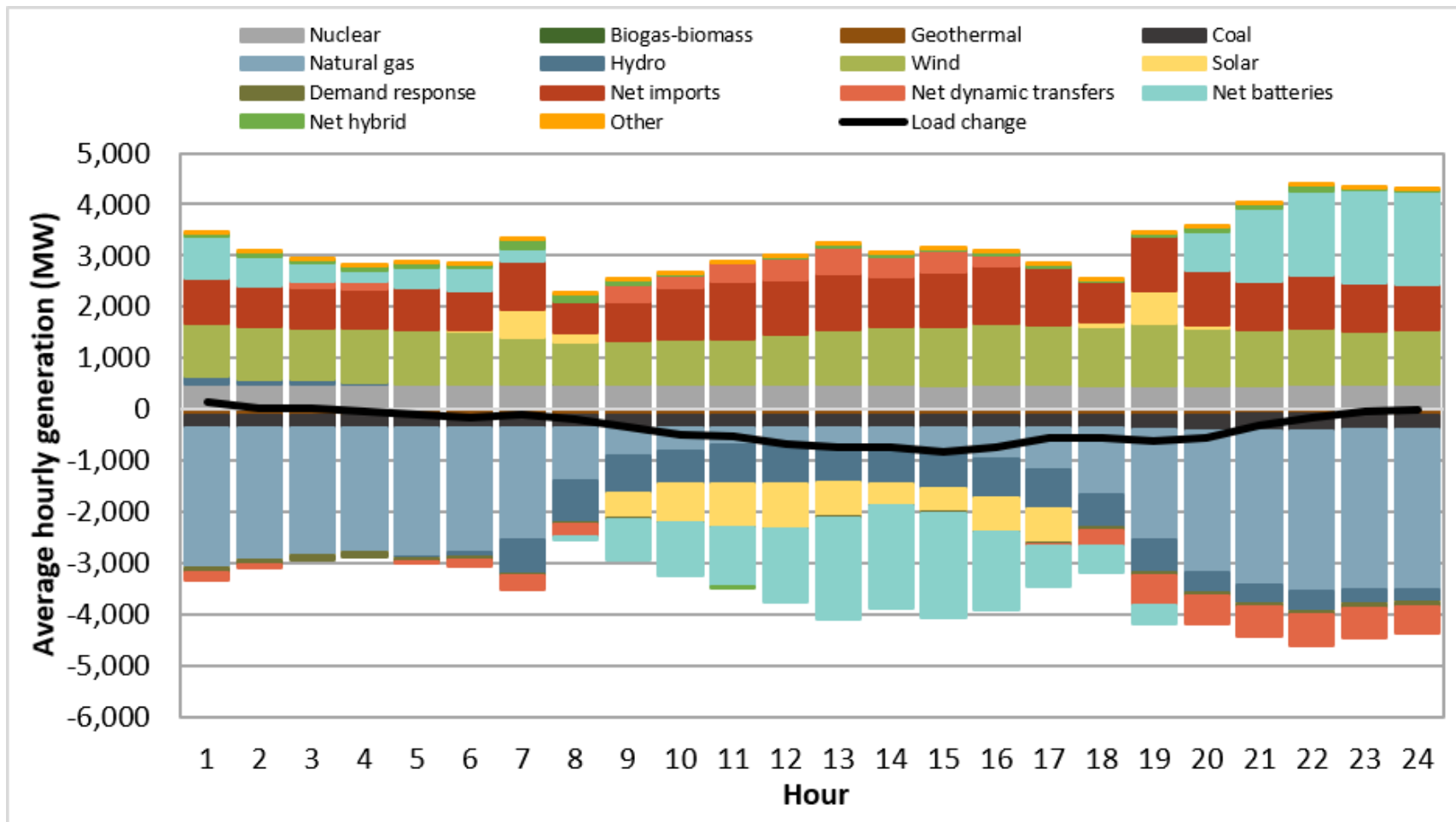
Change in average hourly generation by fuel type in the Pacific Northwest region

Q2 2026 vs. Q2 2025



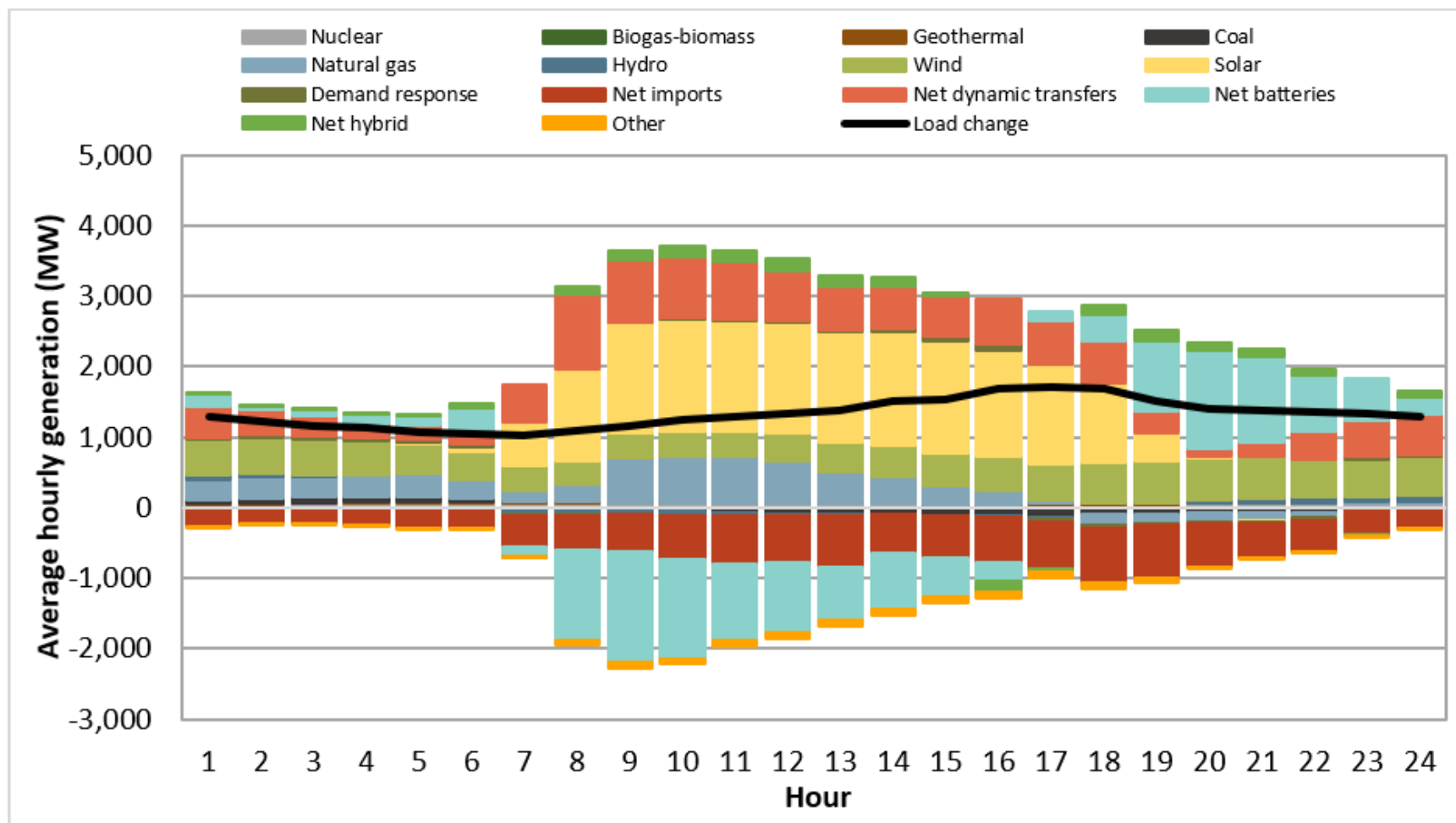
Change in average hourly generation by fuel type in the California Region

Q2 2026 vs. Q2 2025



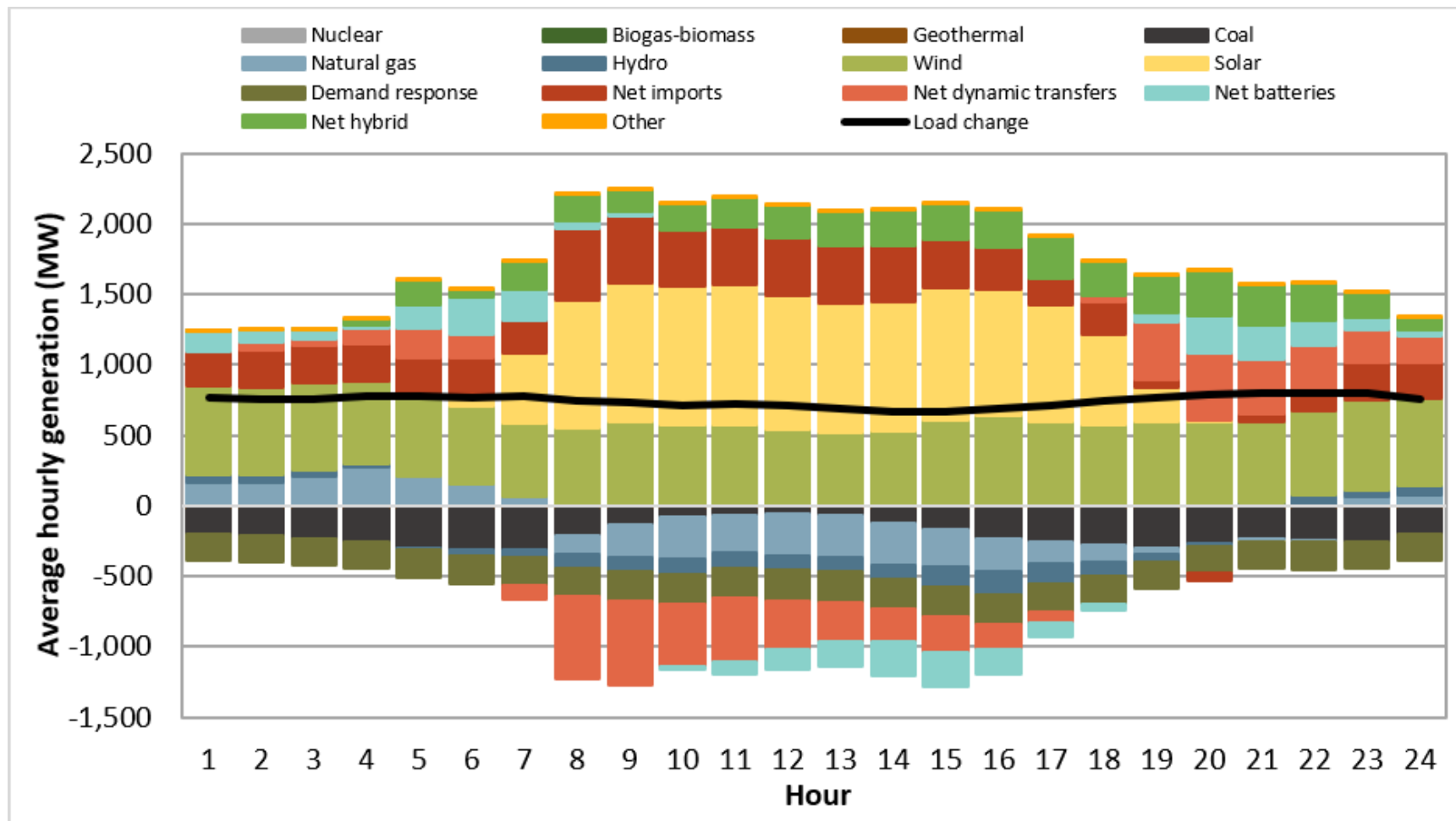
Change in average hourly generation by fuel type in the Desert Southwest Region

Q2 2026 vs. Q2 2025



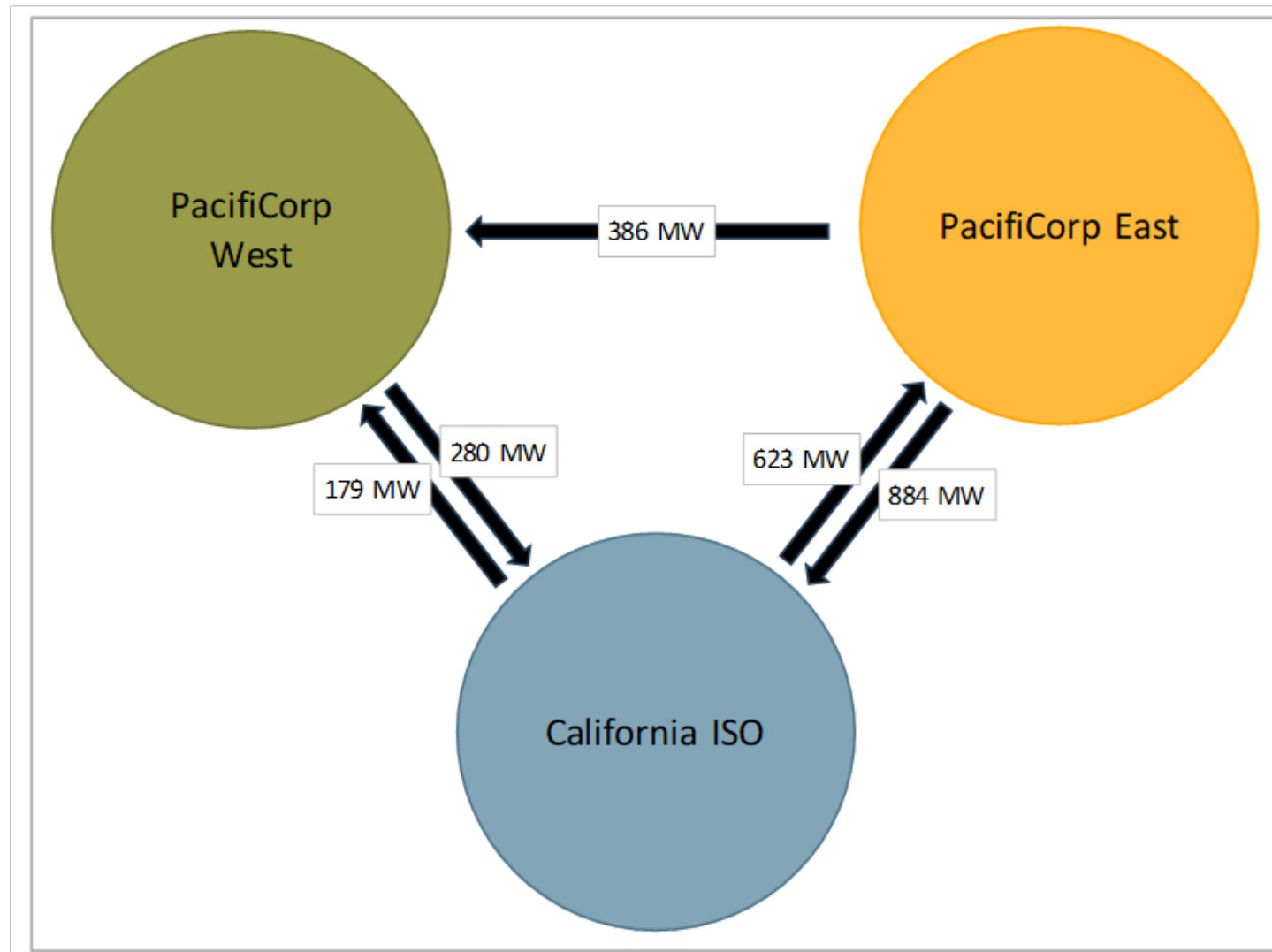
Change in average hourly generation by fuel type in the Intermountain West Region

Q2 2026 vs. Q2 2025



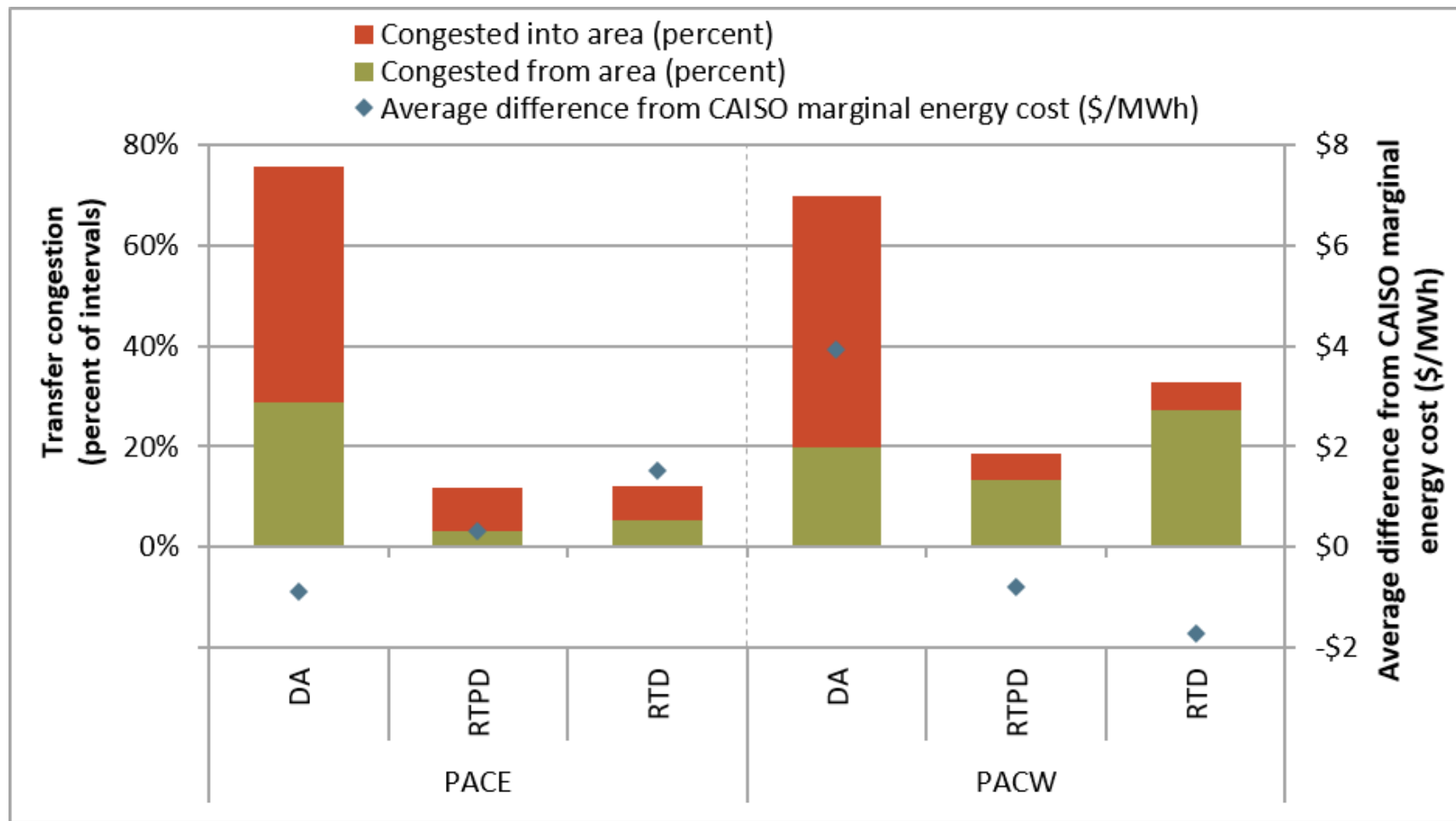
May 1, 2026 EDAM launch adds transfer capacity between balancing areas to day-ahead market

Average day-ahead market EDAM transfer limits between balancing areas (May–June 2026)



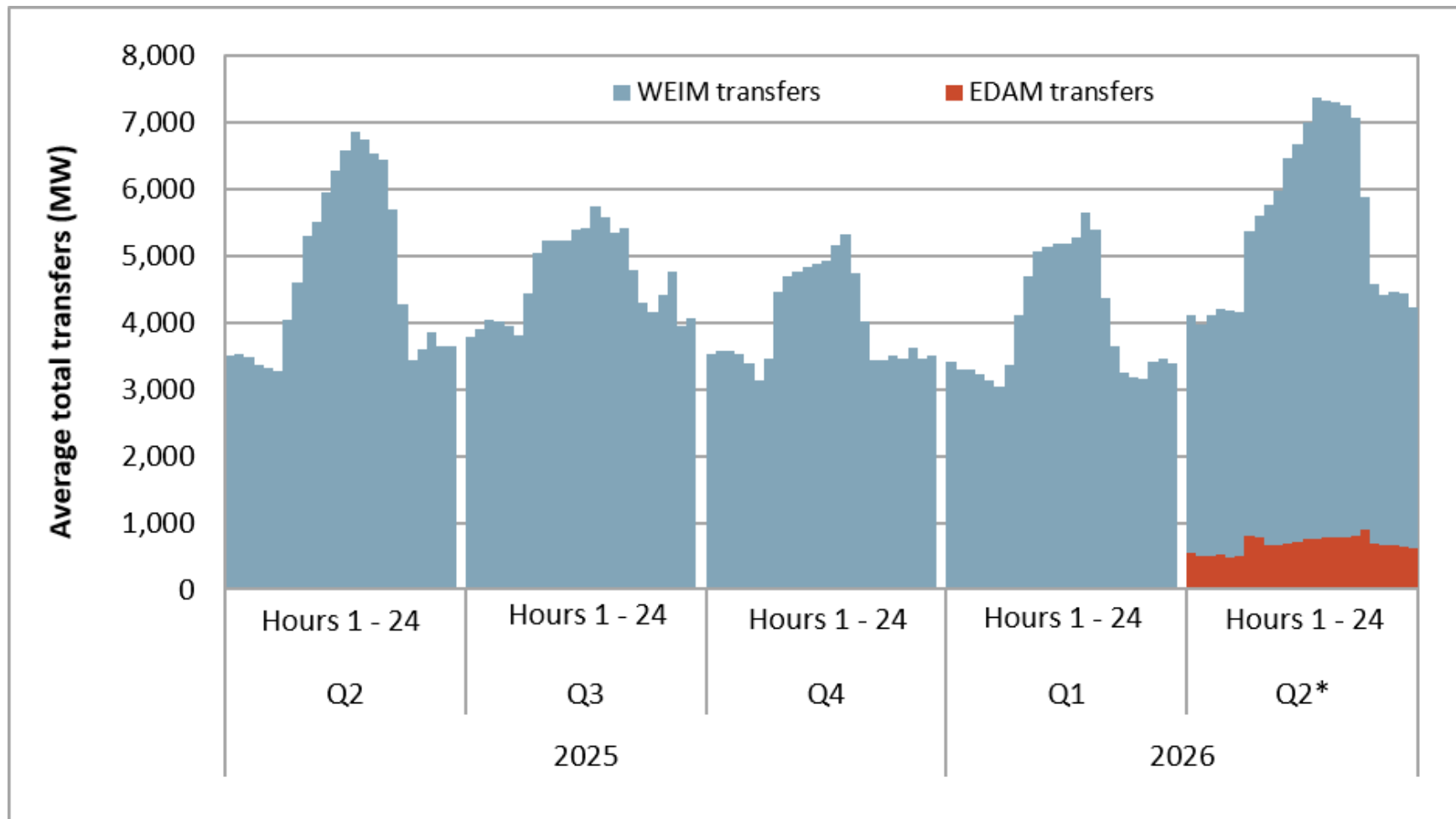
Impacts of transfer congestion different in day-ahead than real-time

Frequency and impact of EDAM or WEIM transfer congestion — EDAM balancing areas
(May–June 2026)



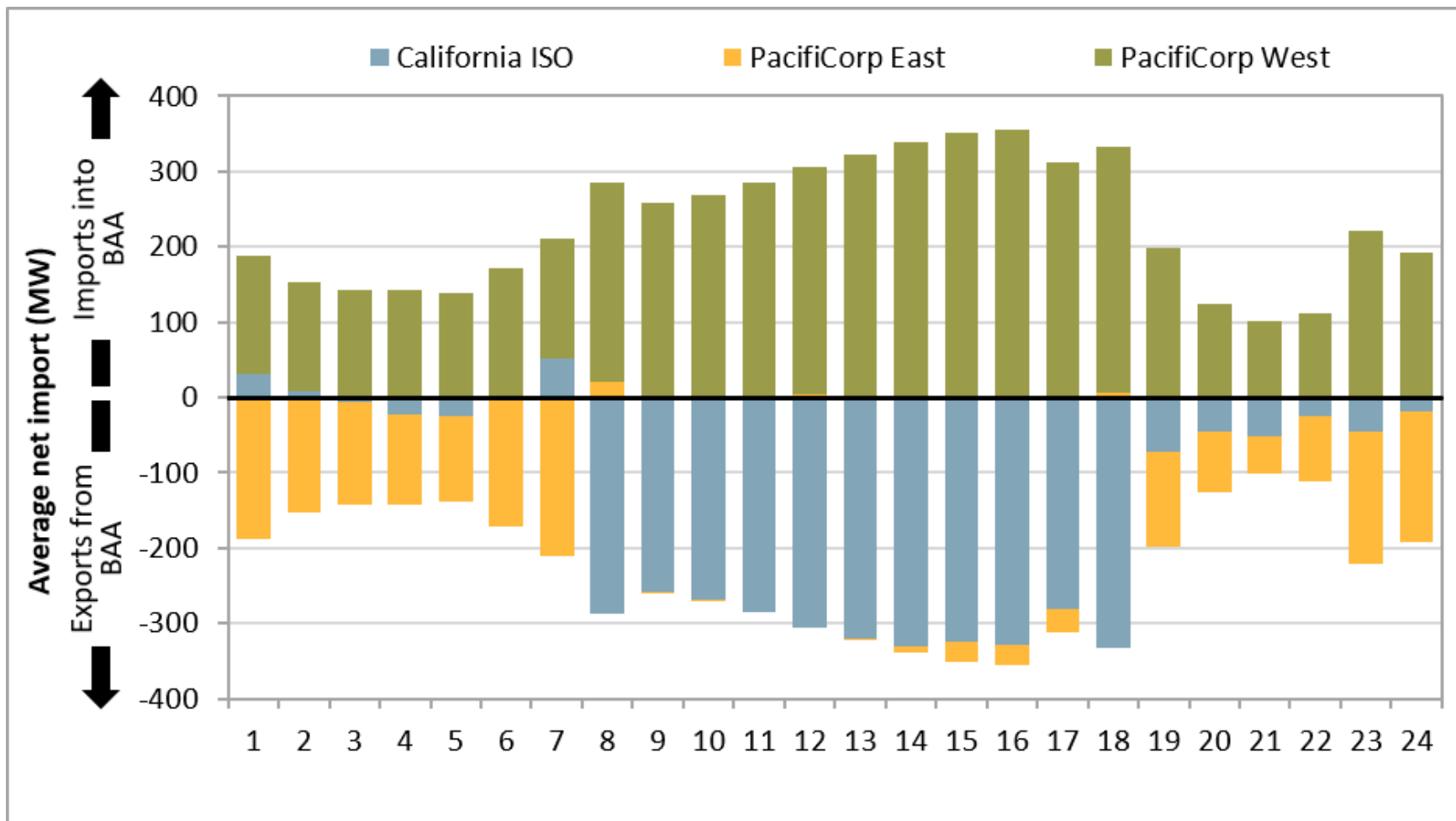
Total EDAM transfers averaged 670 MW across May and June

Average EDAM and 5-minute market WEIM transfer volume by hour and quarter



Net average EDAM transfers into PacifiCorp West across all hours

Average day-ahead market EDAM transfers by hour (May–June 2026)



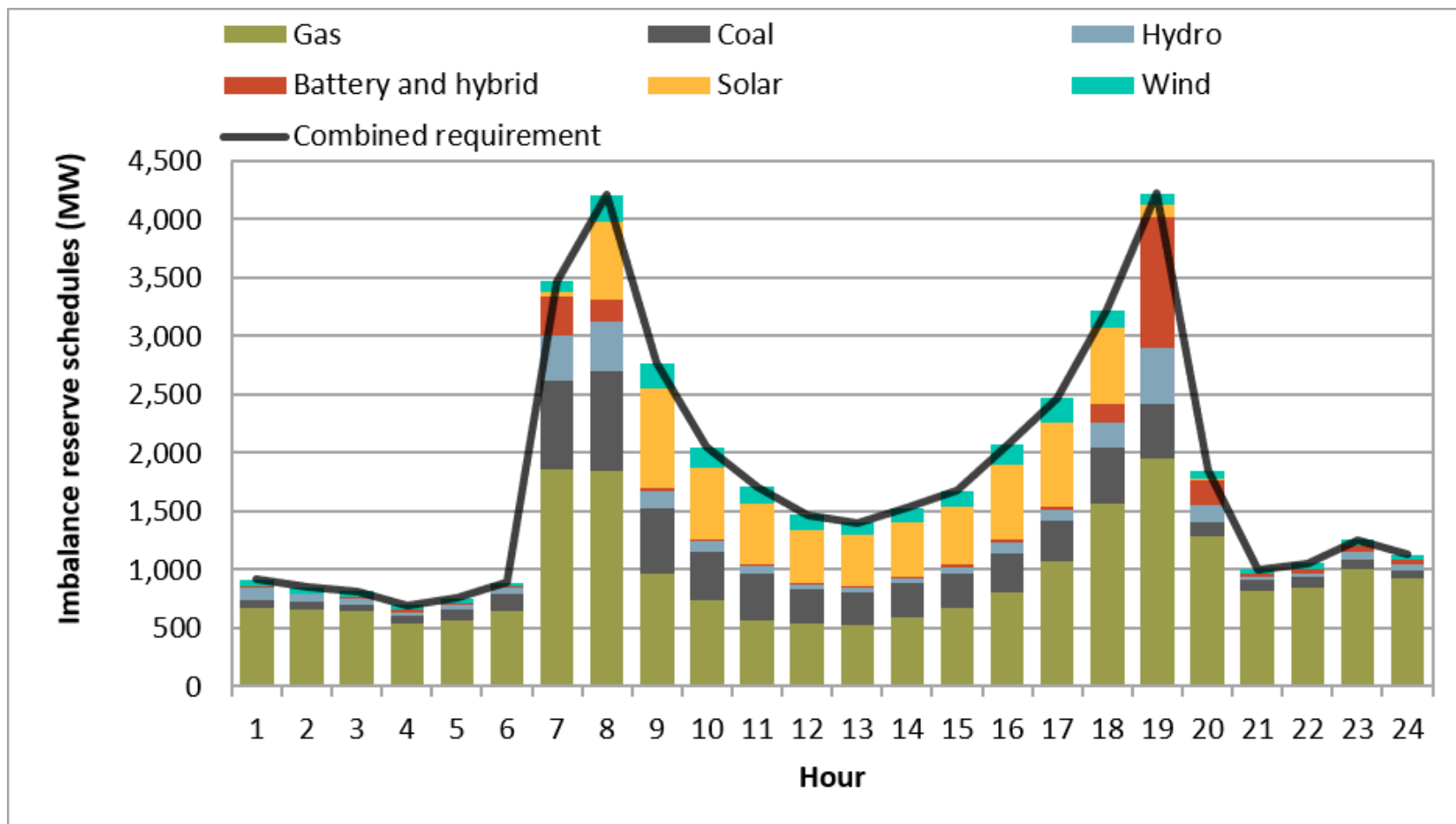
Very infrequent failures of EDAM resource sufficiency evaluation

Frequency of EDAM resource sufficiency evaluation failures (May–June 2026)

	Imbalance Reserve Up	Imbalance Reserve Down	Regulation Up	Regulation Down	Spinning Reserve	Non-Spinning Reserve
CAISO	0%	0%	0%	0%	0%	0%
PacifiCorp East	.1%	0%	0%	0%	0%	0%
PacifiCorp West	.5%	.1%	0%	0%	0%	0%

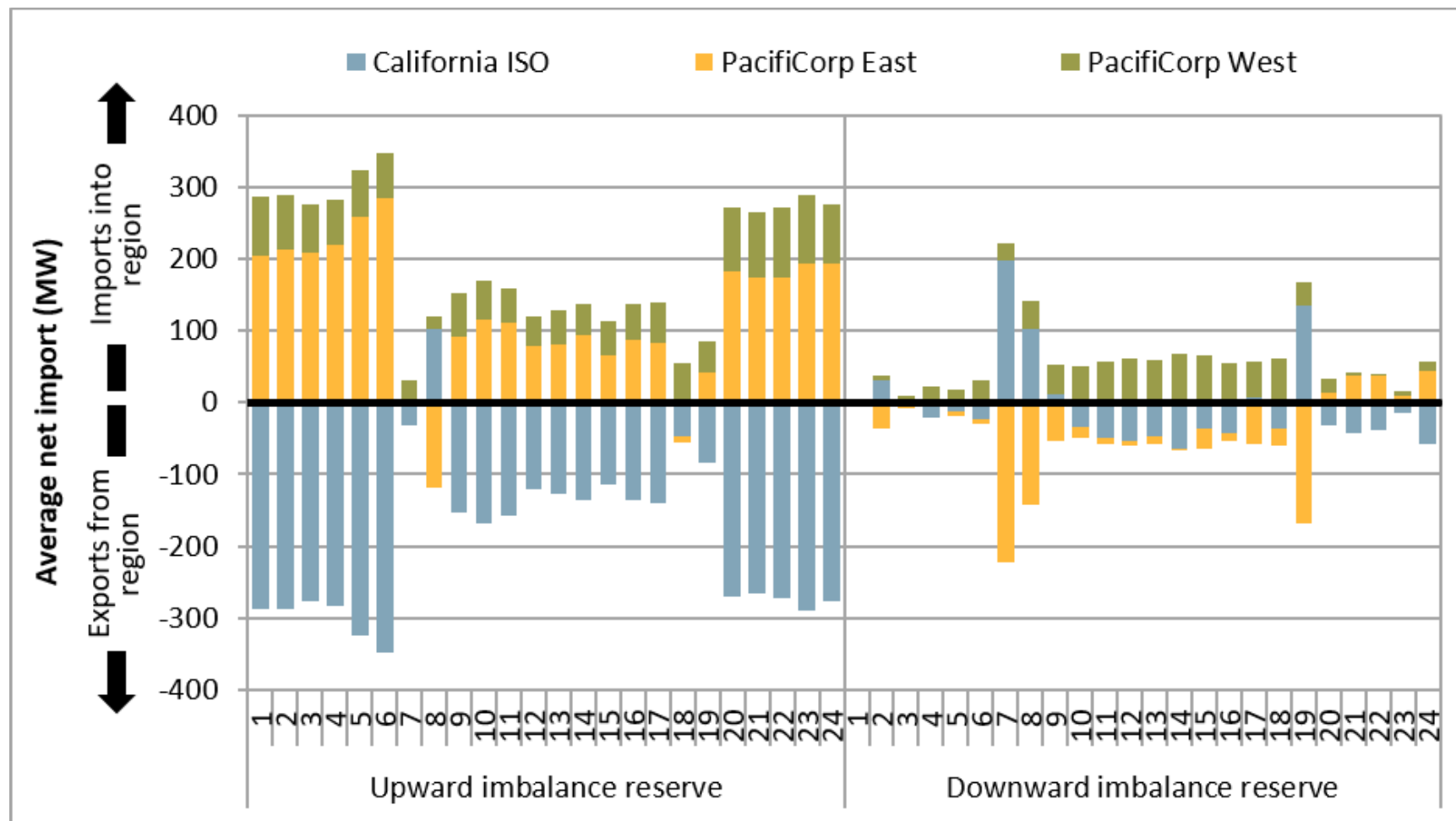
51% of upward imbalance reserve requirements met by gas

Average upward imbalance reserve procurement by fuel type (May–June 2026)



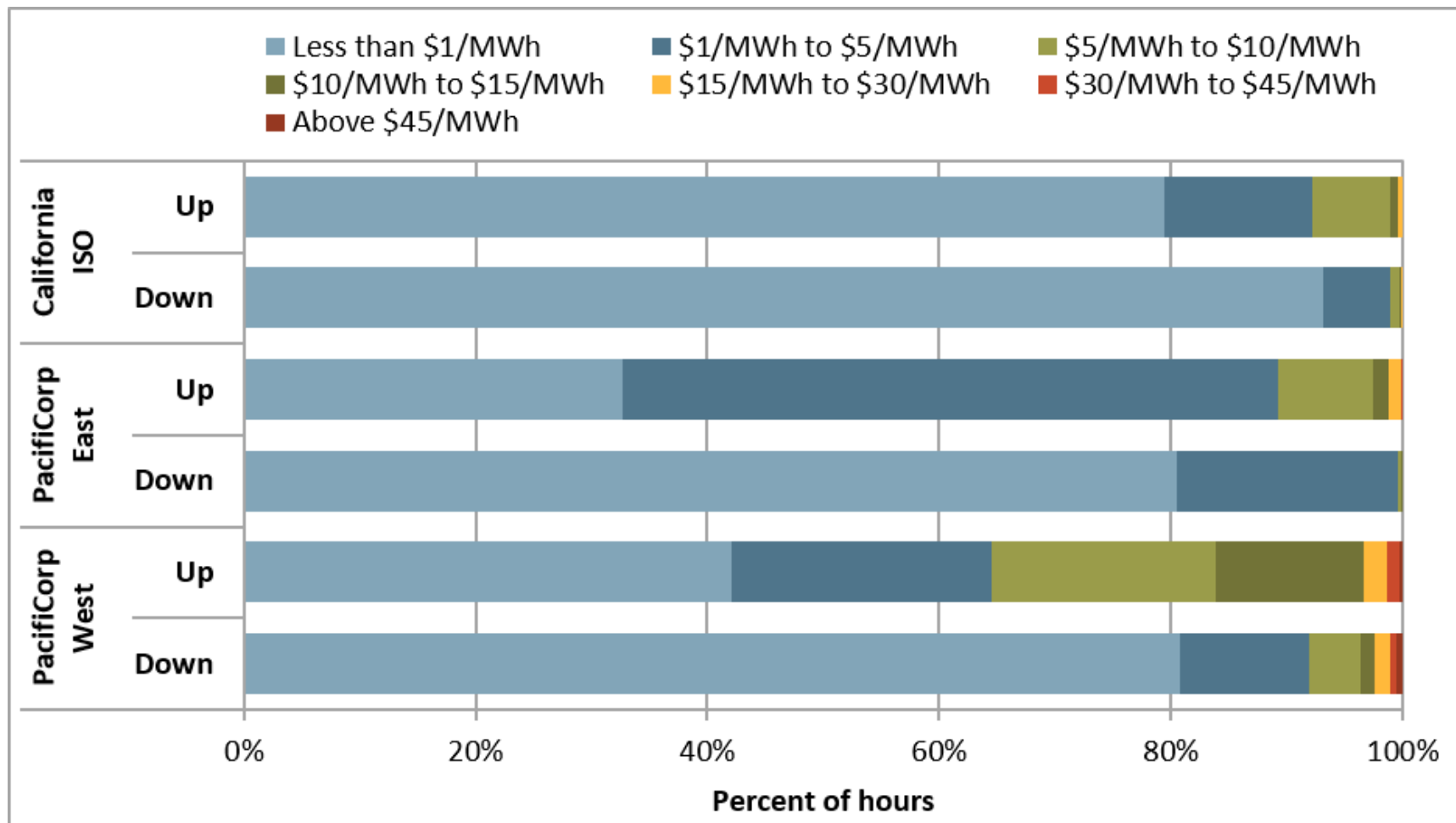
CAISO exporting upward imbalance reserves; PacifiCorp East exporting downward reserves

Average imbalance reserve transfers by balancing area (May–June 2026)



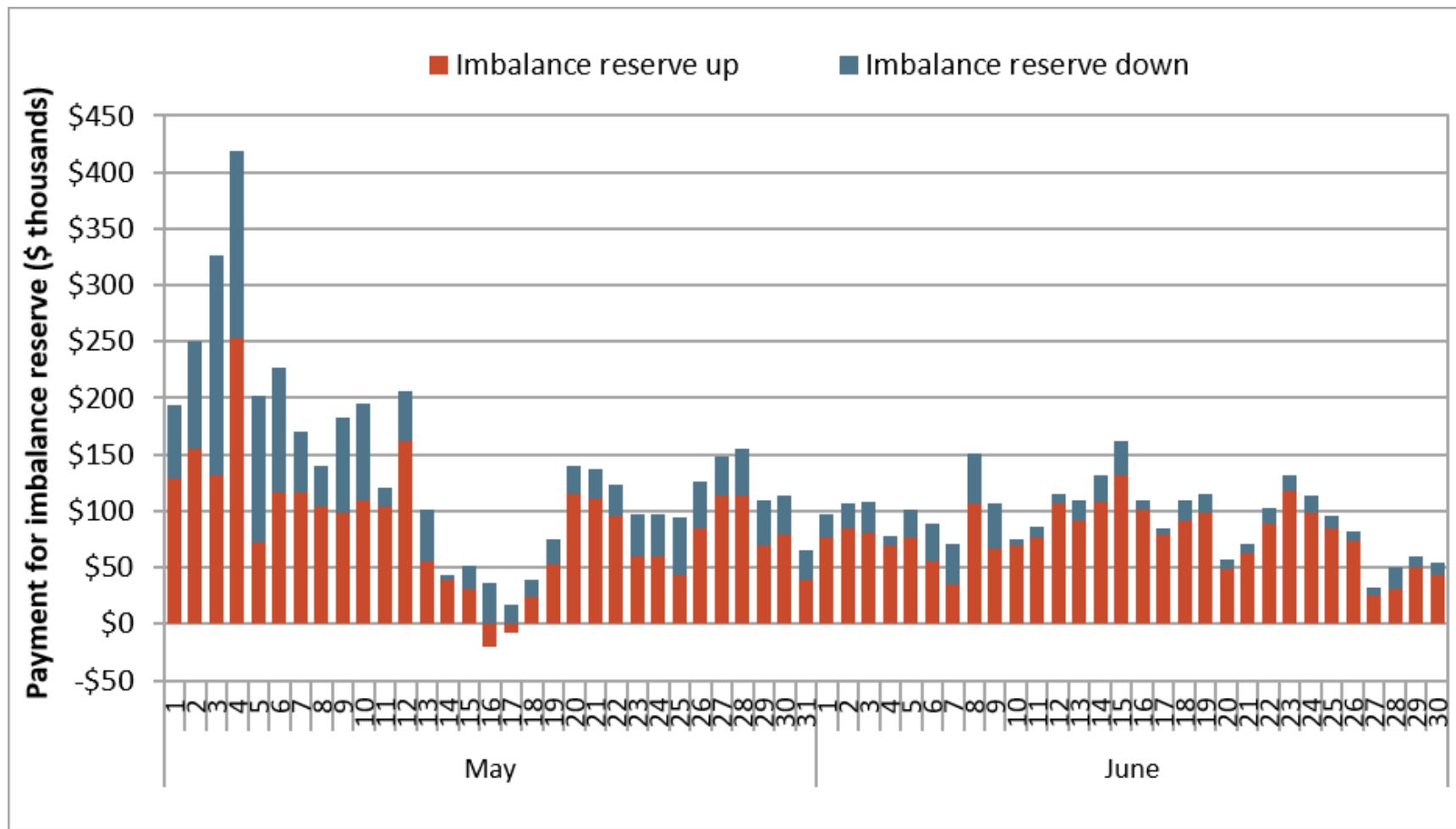
Low frequency of high imbalance reserve prices

Frequency of imbalance reserve prices by price range (May–June 2026)



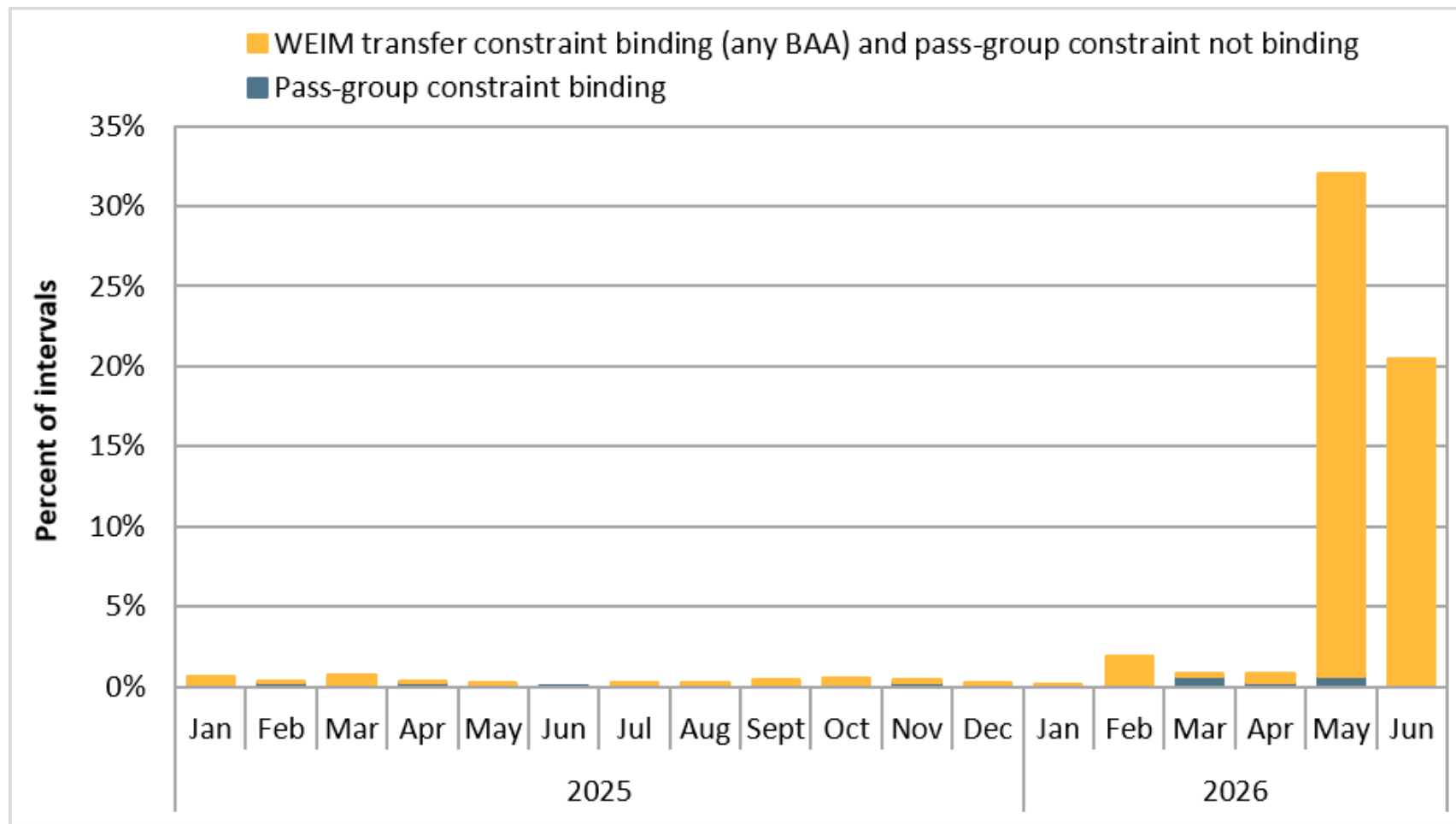
Imbalance reserve costs were reasonable in Q2

Total daily payments for imbalance reserve by direction (May–June 2026)



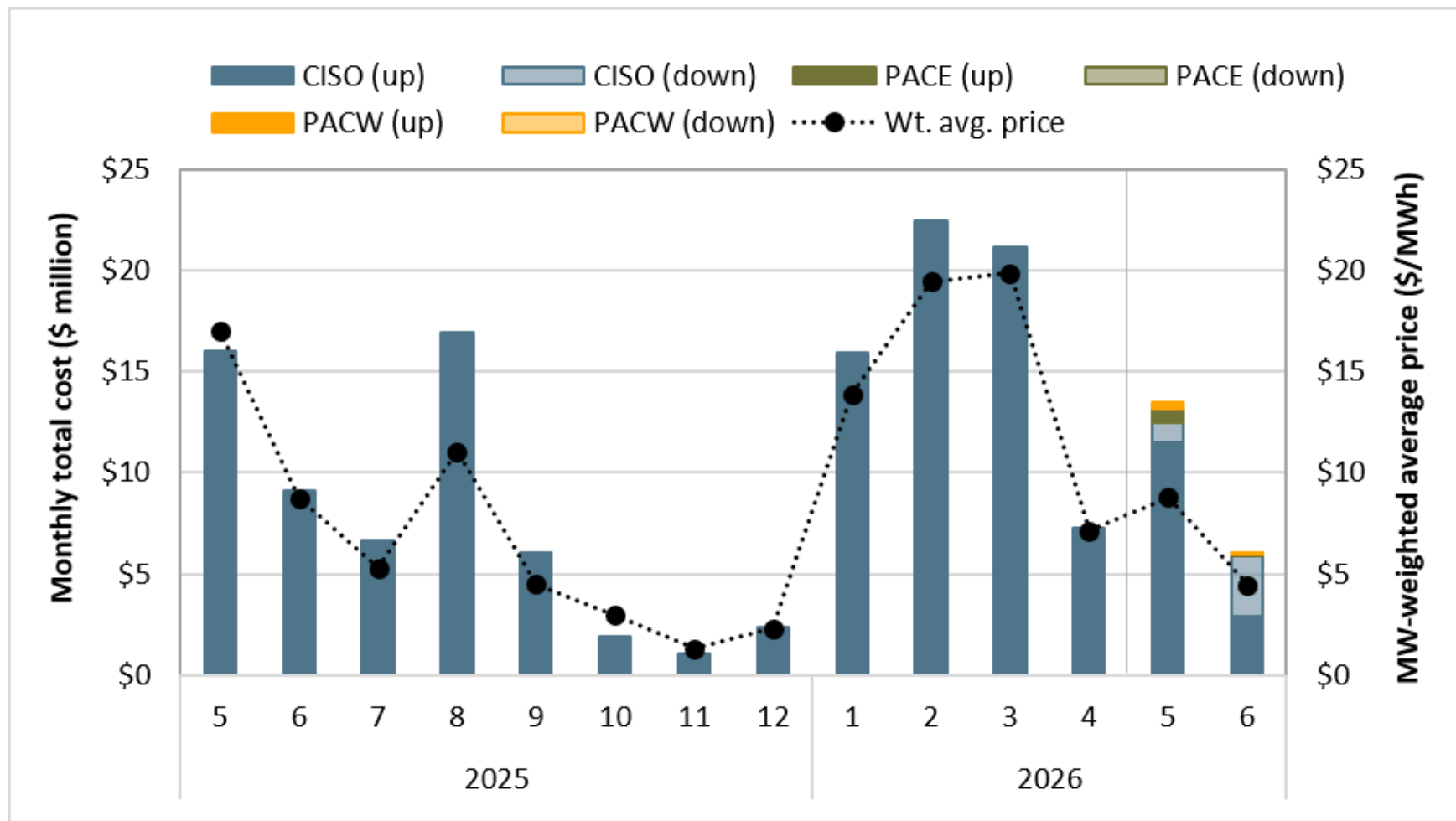
Big increase in frequency of real-time flexible ramping product prices with EDAM launch

Frequency of upward flexible ramping product prices from pass-group or WEIM transfer constraints (15-minute market)



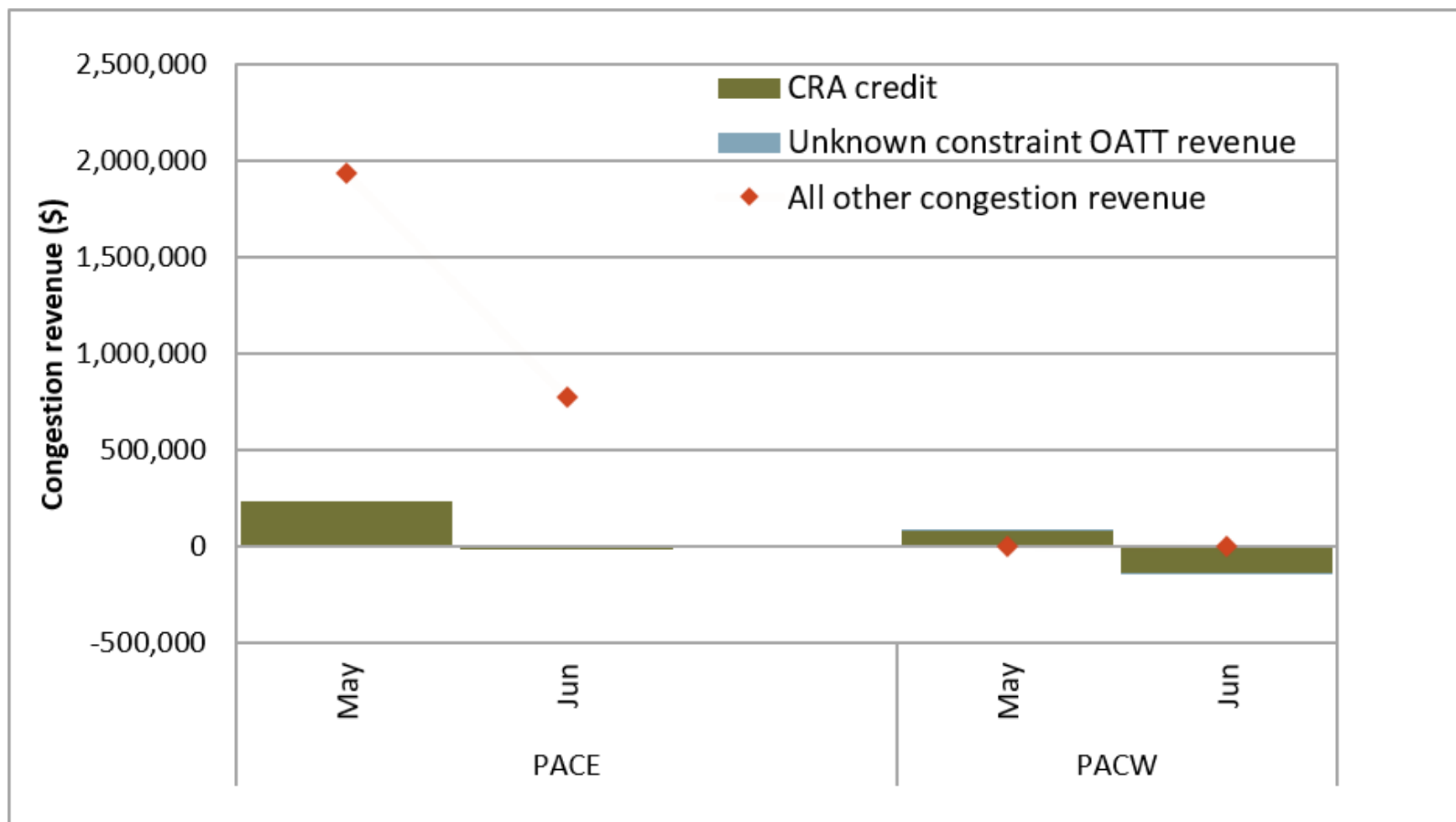
Post-EDAM residual unit commitment costs similar to pre-EDAM

Monthly RUC costs and weighted average price (May 2025 – June 2026)



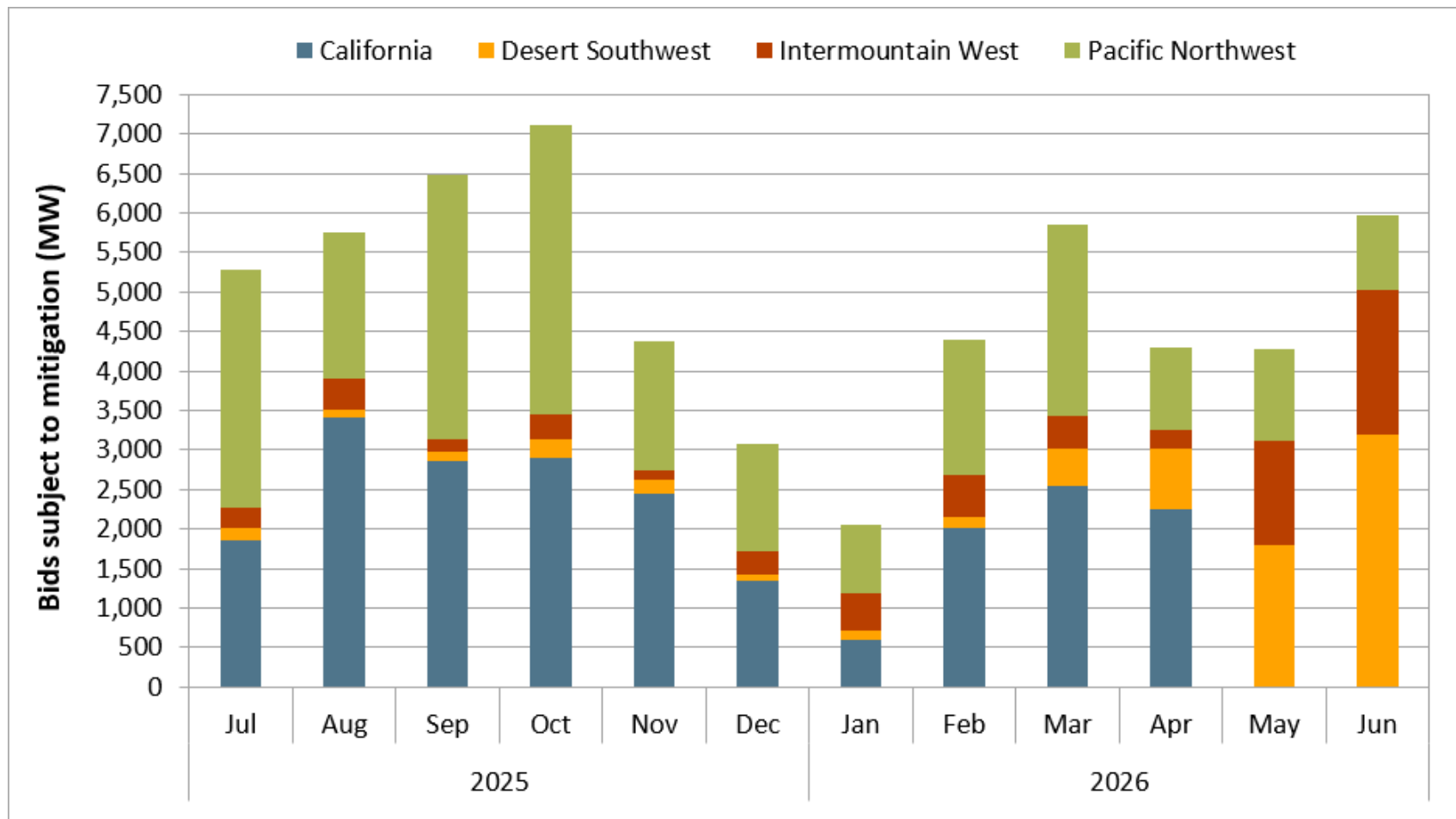
Low congestion revenue allocation

EDAM congestion revenue allocation credit and total congestion revenue



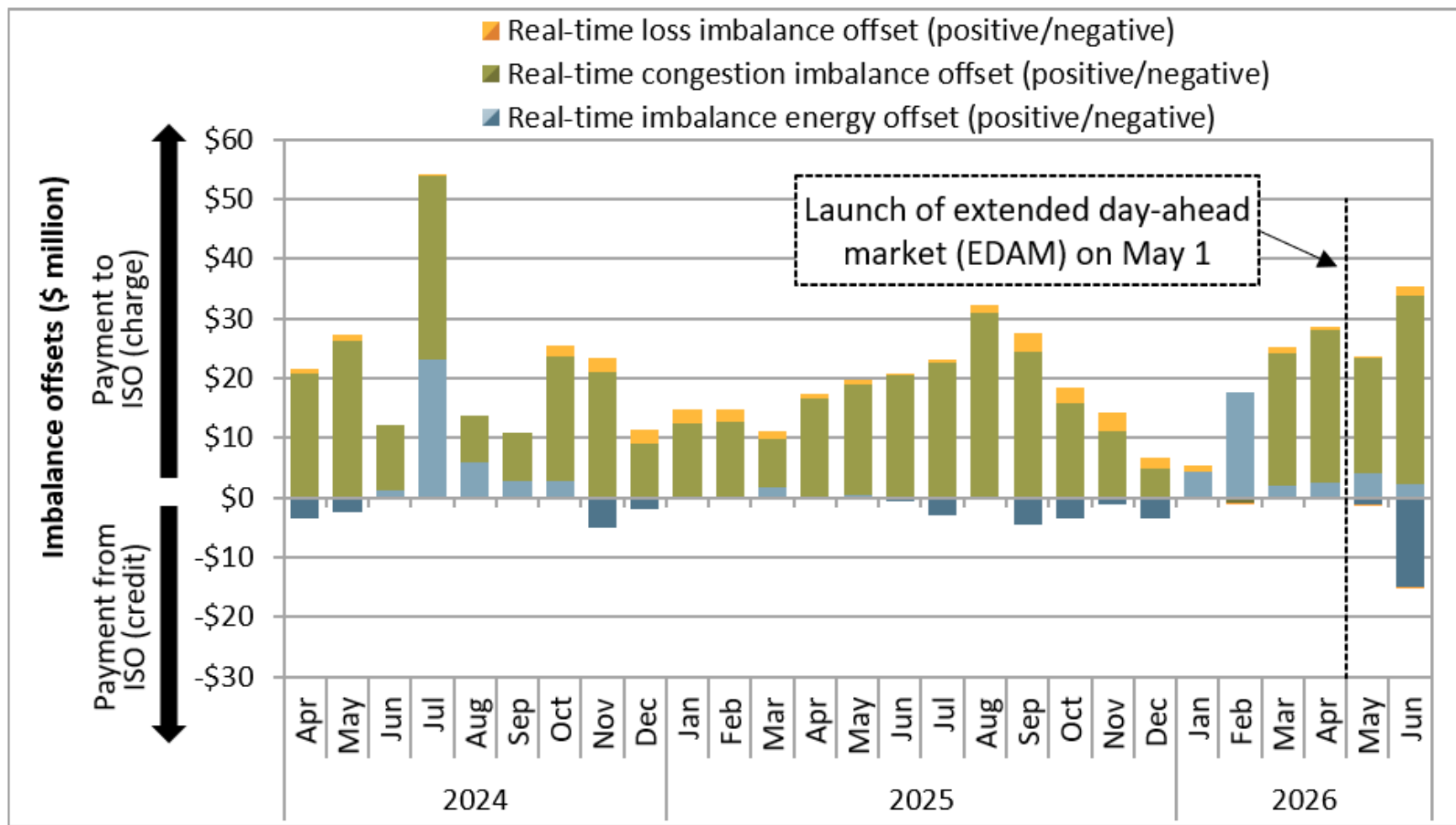
Implementation error with EDAM launch resulted in no RT local market power mitigation for CAISO balancing area through July 17

Average incremental energy subject to mitigation in the 15-minute market



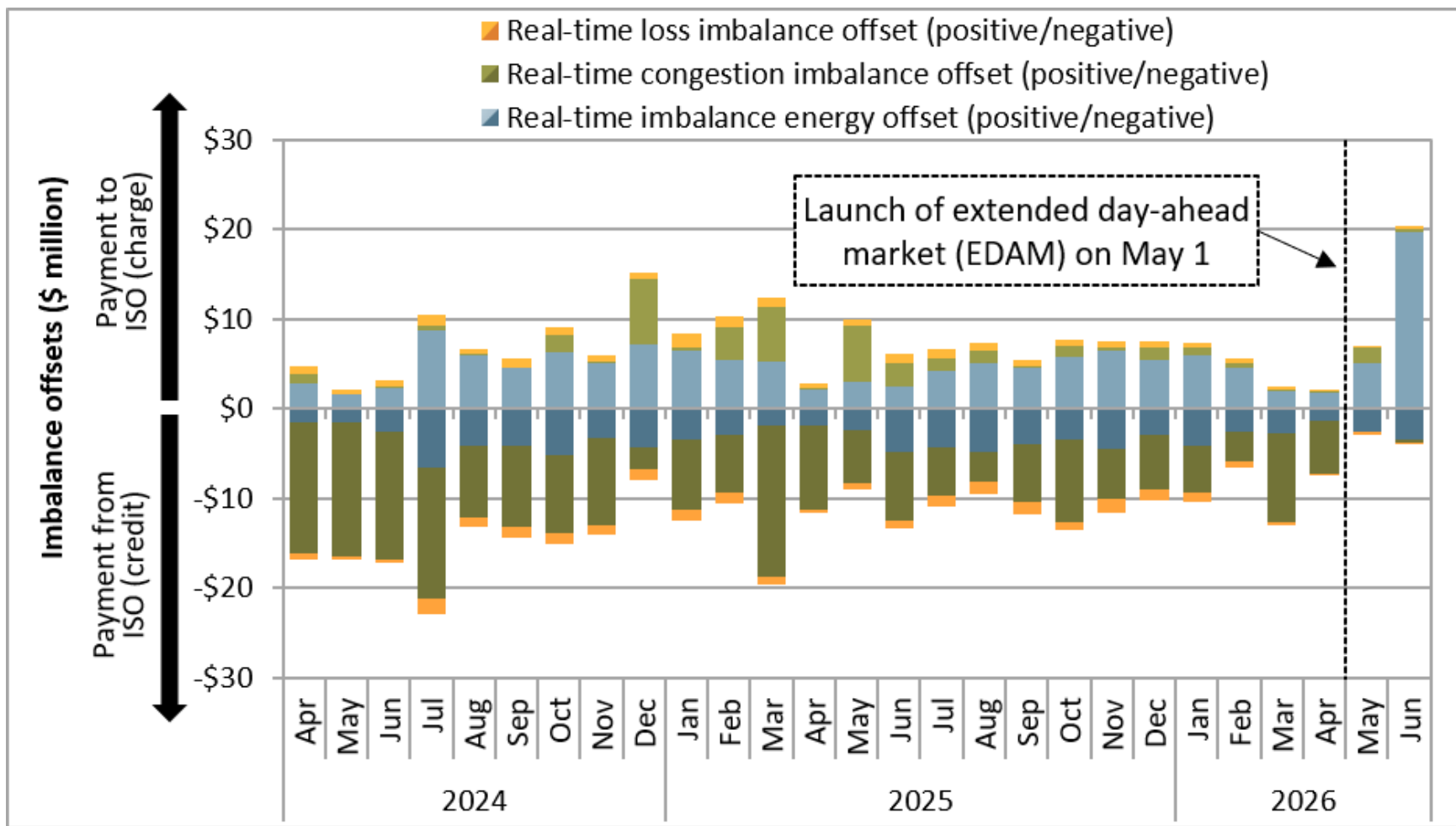
Large credit from energy portion of real-time imbalance offset for balancing areas in day-ahead market in June

Monthly real-time imbalance offset costs (balancing areas in day-ahead market)



Large charge from energy portion of real-time imbalance offset for balancing areas only in WEIM in June

Monthly real-time imbalance offset costs (balancing areas participating only in WEIM)



For more information

- Q2 2026 report on market issues and performance
 - [2026-second-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