



February 3, 2026

Mr. Elliot Mainzer  
California ISO President and Chief Executive Officer

Dear President Mainzer,

The Launch Committee of the West-Wide Governance Pathways Initiative is grateful for the collaboration with the California Independent System Operator (CAISO) on the Launch Committee's ongoing efforts to move forward with its Step 2 Final Proposal and the new Regional Organization for Western Energy (ROWE). The technical support from the staff and the input and experience from the Western Energy Markets (WEM) Governing Body members and CAISO Board of Governors representatives as liaisons to the Formation Committee has been invaluable as we work through the details and realities of actual implementation.

As you are aware, the Launch Committee has developed a budget of approximately \$8 million for the ROWE implementation in 2026-2027 that includes funding for an initial board, key staff, and other consulting support until the ROWE has the authority to collect funding through the market tariff (estimated in 2028). We have received generous financial support from stakeholder and philanthropic contributions but will need additional funding for the ROWE implementation efforts.

On behalf of the Launch Committee, members of the Formation Committee have been exploring different mechanisms that would allow participants in the markets that will be governed by the ROWE to fund the initial start-up costs. These conversations have included exploring debt financing options with several commercial banks that could be repaid by market participants in 2028 after the anticipated transfer of governance of the markets to the ROWE. The commercial banks would require ROWE to have a way of guaranteeing repayment of the loan. Therefore, the Launch Committee is requesting CAISO facilitate a stakeholder process to develop a proposal to create a funding mechanism for the ROWE's debt financed startup costs that would be repaid by market participants.

We appreciate your consideration and look forward to engaging with you and other stakeholders on this proposal.

Sincerely,

Pam Sporborg  
Co-Chair, Pathways Initiative  
Director, Transmission & Market Services  
Portland General Electric Company

Kathleen Staks  
Co-Chair, Pathways Initiative  
Executive Director, Western Freedom

cc: WEM Governing Body Chair Rebecca Wagner  
CAISO Board of Governors Chair Joe Eto

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