



# SMUD Strategic Development Committee – CAISO Update

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President & Chief Executive Officer

June 9, 2026

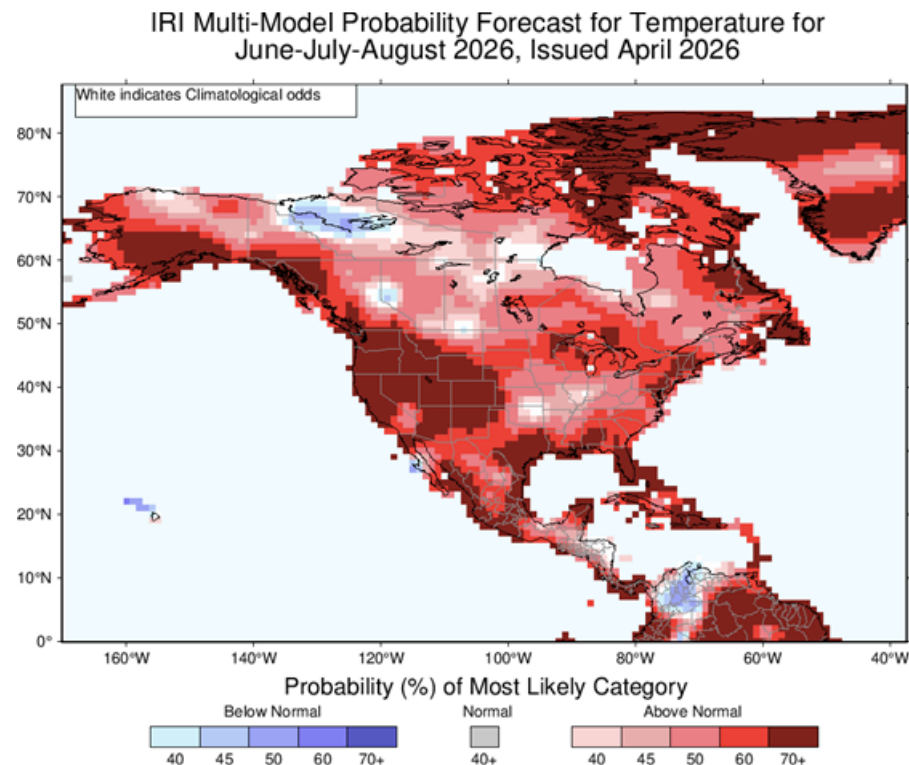
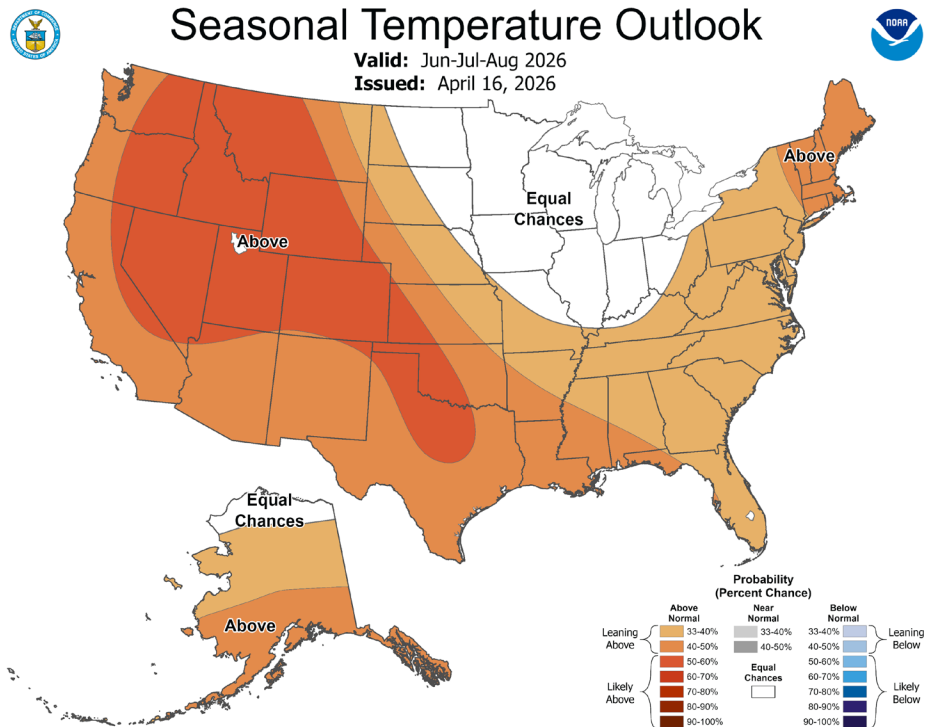
# Agenda

- I. Summer outlook
- II. Regional Market Development
- III. Transmission Planning

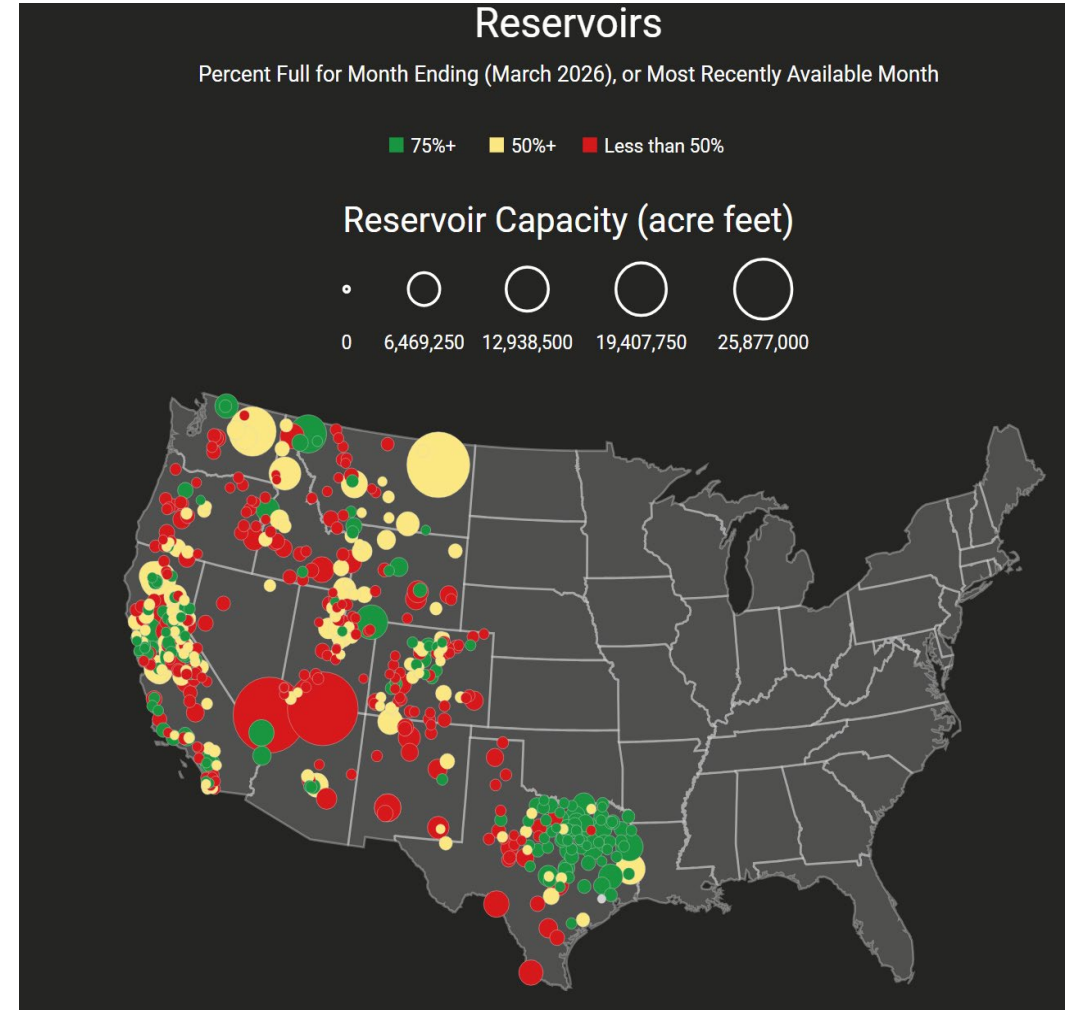
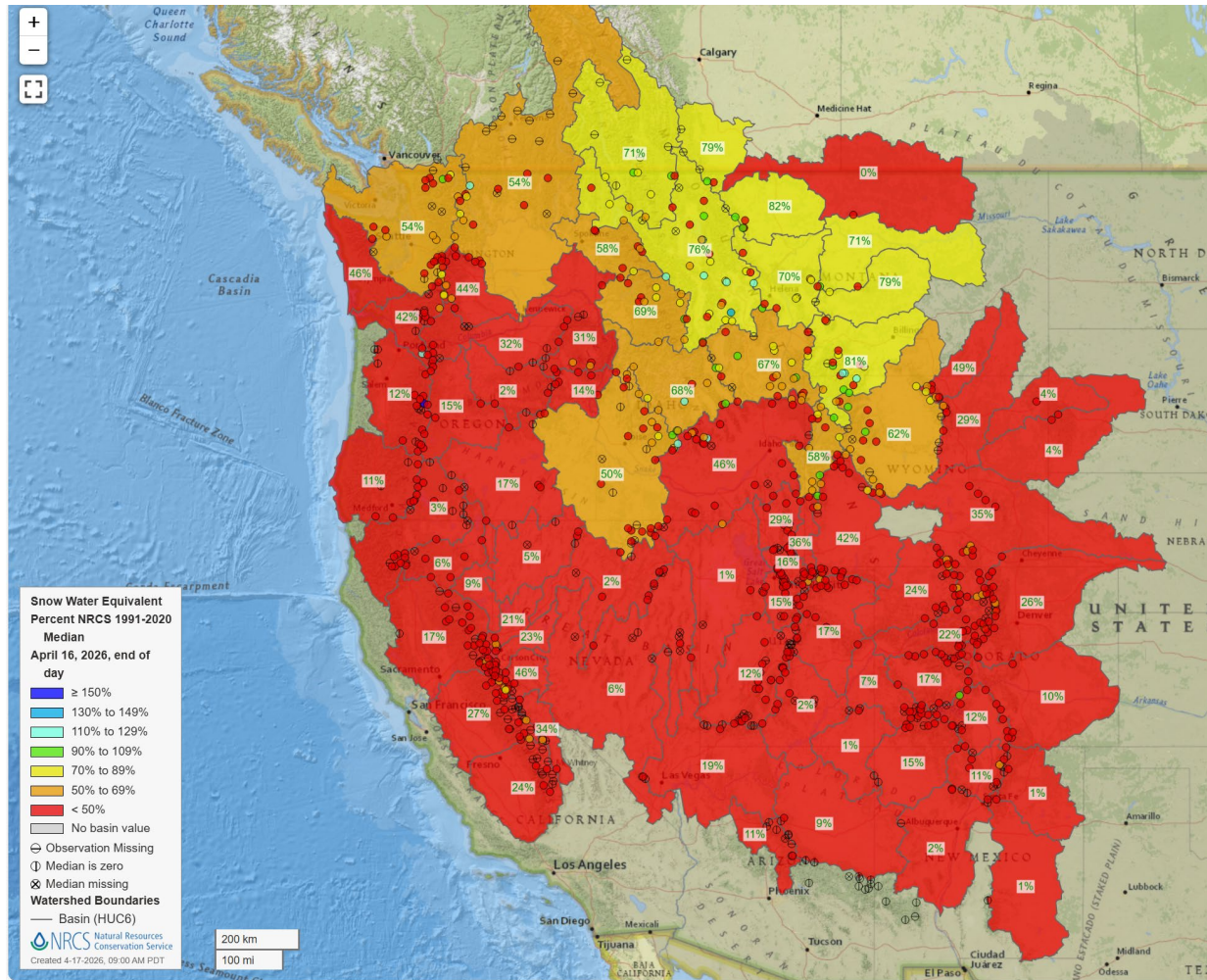
# LOAD AND RESOURCES

# Temperature Outlook: June – August 2026

- Increased chances of above normal temperatures compared to recent summers along coastal California and the Pacific Northwest
- Longer-range forecast suggests a hot start to summer
- Strong warm anomalies favored across the northern and central western U.S., including the Great Basin, Rockies, and Pacific Northwest

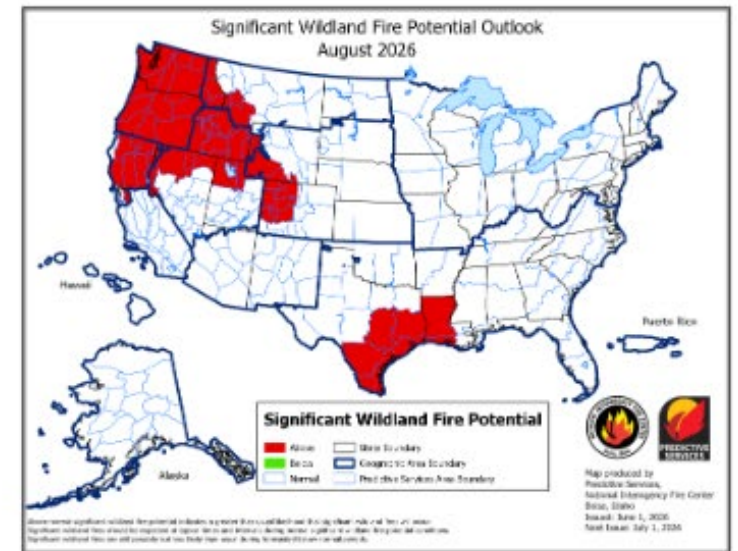
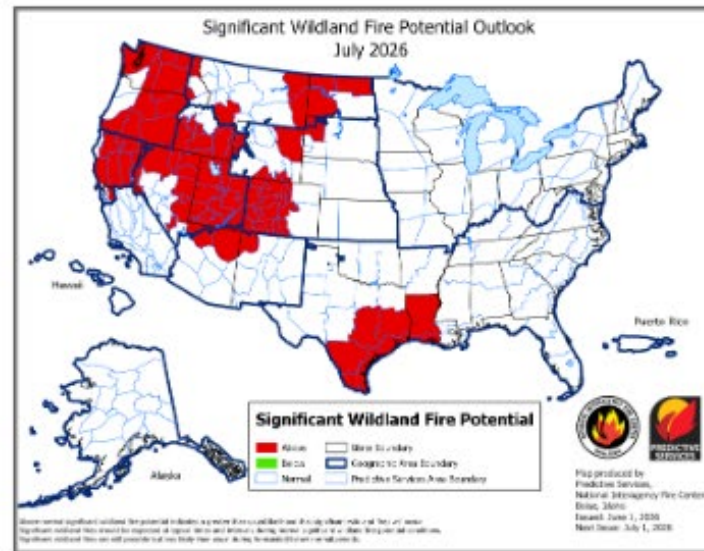
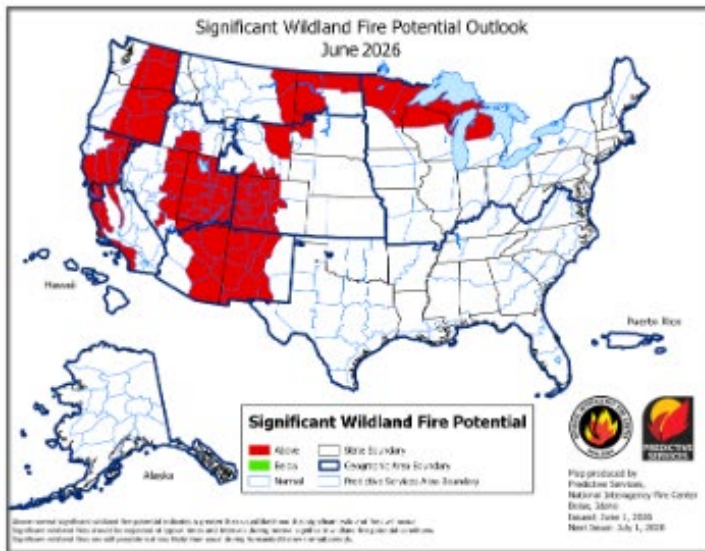


# Below normal snow pack in the mountains west-wide and most reservoirs below capacity



# Western Weather Outlook – Fire Risk June, July & August

- Lack of snowfall across the west and a very hot March led to early snowmelt and risk for earlier drying out in the mountains
- Near-normal fire risk across S. CA interior to start summer, above in N. CA increasing through summer; significant risk throughout summer in Great Basin/Pacific Northwest
  - Monsoonal storms could lead to increased fire starts from lightning but may bring fire threat down through the summer in Arizona/New Mexico

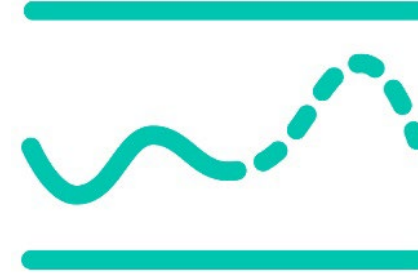


# 2026 Summer Outlook: Resource Additions and Load Forecast.



## Resource Additions

- Capacity added from September 1, 2025 through April 1, 2026: **2,127 MW**
- Capacity expected from April 1<sup>st</sup> through June 30<sup>th</sup>, 2026: **6,194 MW** (includes 3,167 MW of SunZia Wind project)



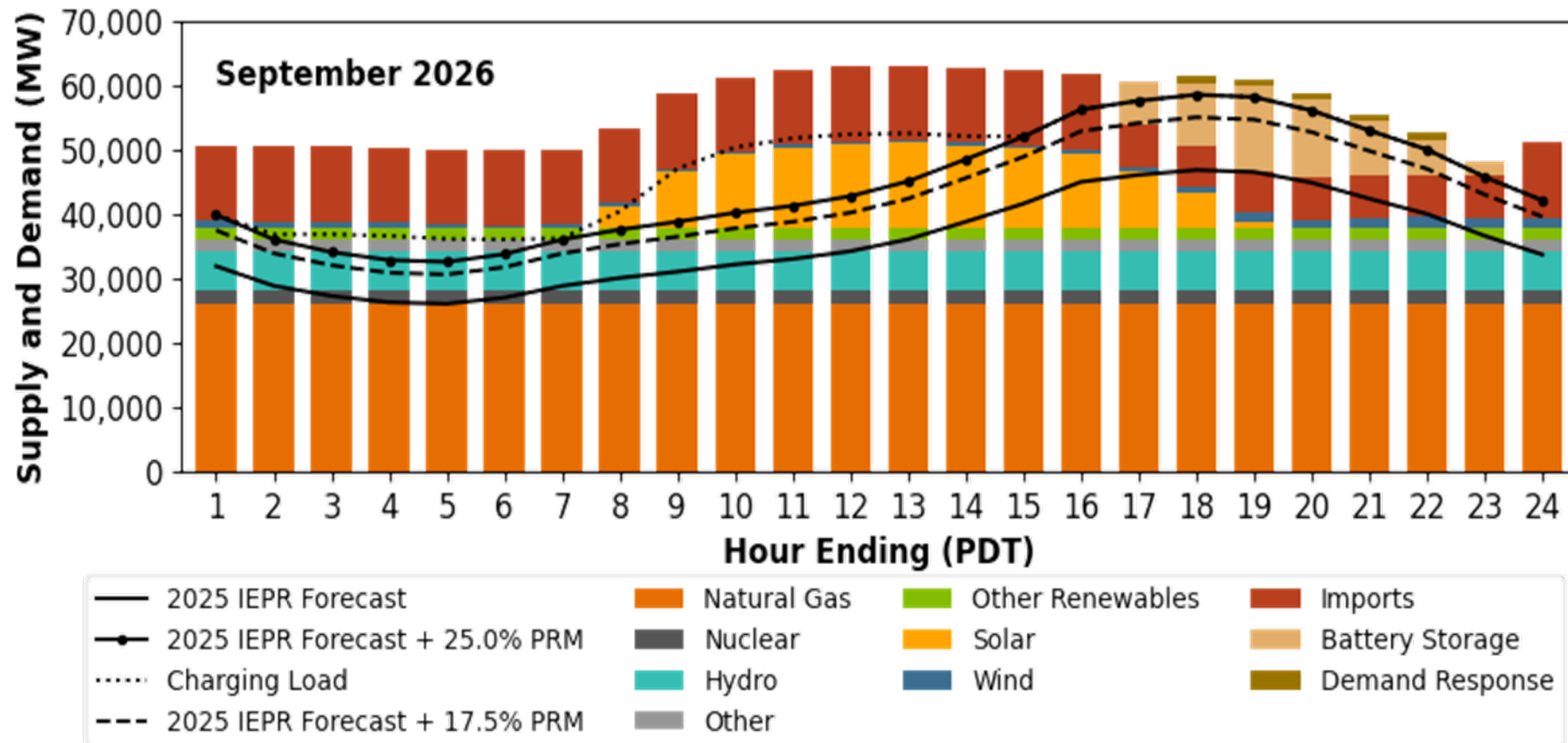
## Load Forecast

- September peak load forecast: **46,844 MW**, hour ending (HE) 18 (2025 California Energy Commission Integrated Energy Policy Report)

## Probabilistic Assessment Results

Portfolio meets planning performance targets, yielding a surplus of **2,547 MW**

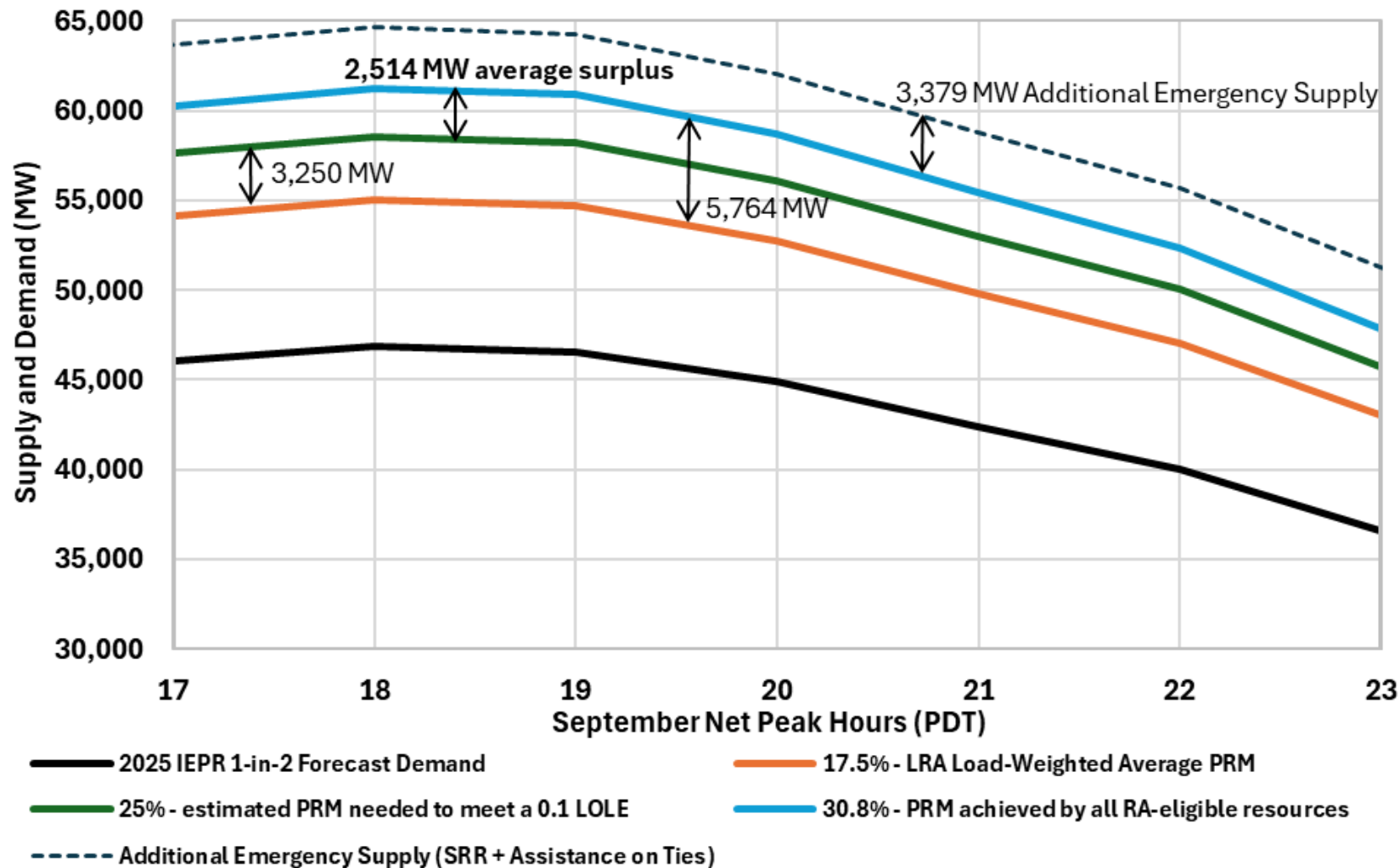
The ISO's multi-hour stack analysis also indicates a reasonable margin above the planning reserve margin required to achieve a 1-in-10 year loss of load expectation



A planning reserve margin of **25 percent** is required to meet a 0.1 LOLE, calculated by first subtracting the surplus capacity of 2,547 MW (as determined in the probabilistic study) from all available resources.

The **load-weighted average planning reserve margin** across all load serving entities for the 2026 resource adequacy year, which reflects Local Regulatory Authority established requirements, is **17.5 percent**.

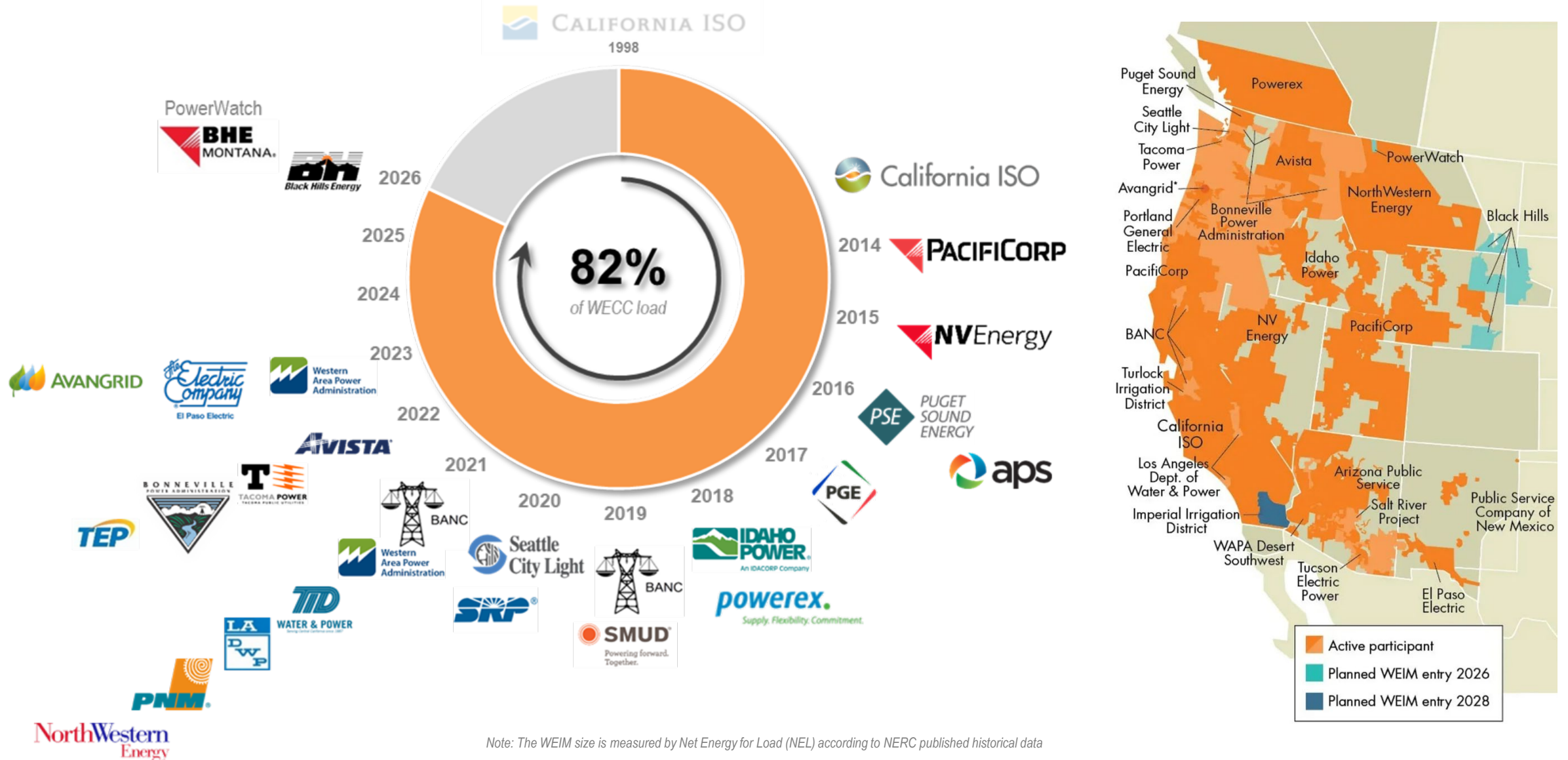
# The 0.1 loss of load expectation translated to a planning reserve margin of 25% applied to the 1-in-2 2025 IEPR demand forecast for 2026



Assessment shows sufficient energy to meet a wide range of summer system conditions; however, abnormally dry conditions, extreme heat and wildfire conditions may still pose reliability risks.

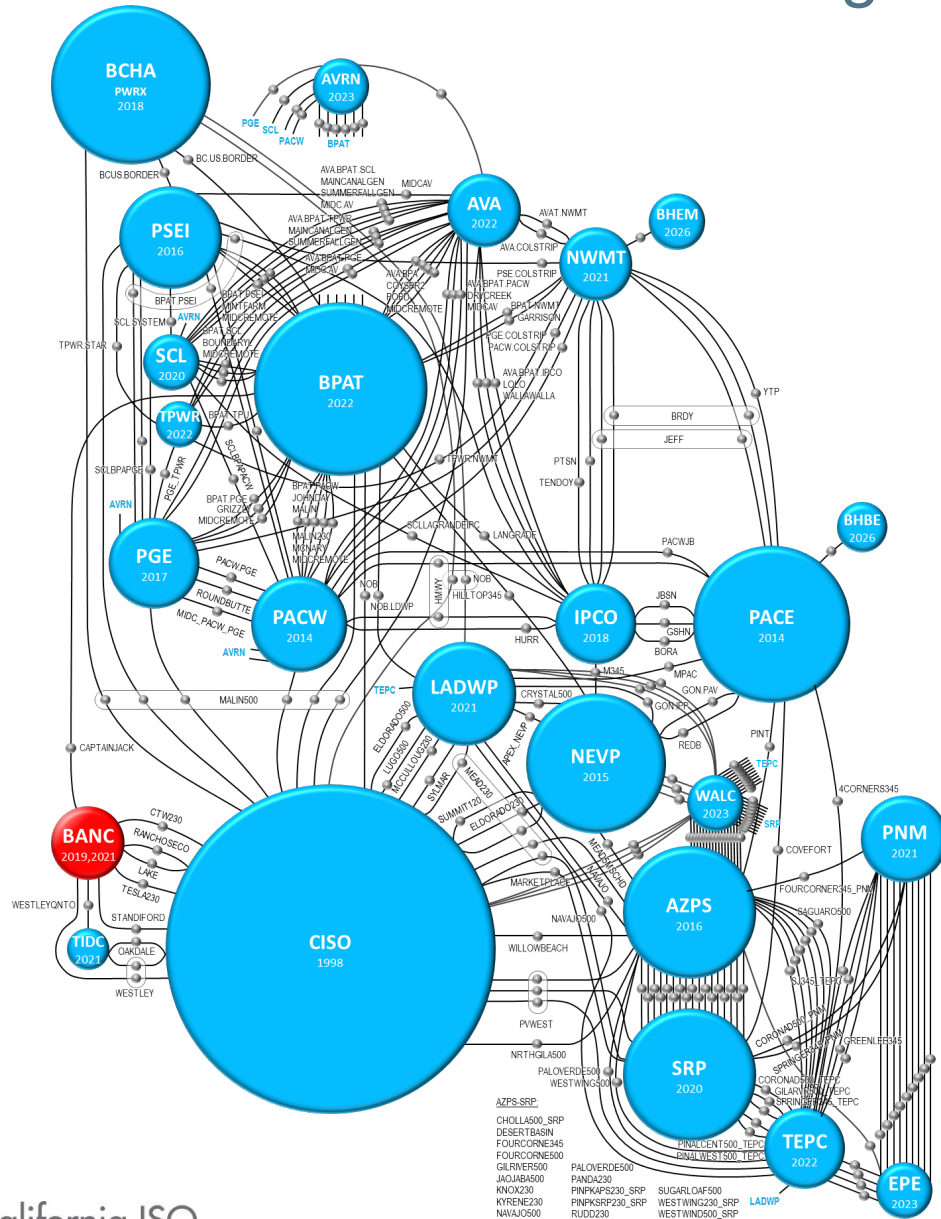
# REGIONAL MARKET DEVELOPMENT UPDATE

# WEIM coverage – 1 ISO + 23 EIM Entities = 24 EIM Participants

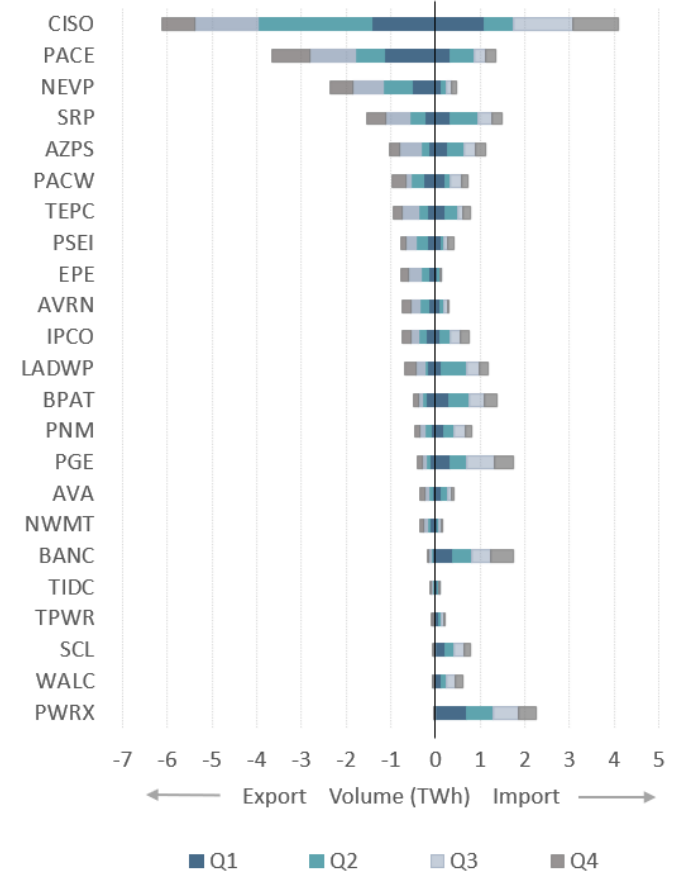




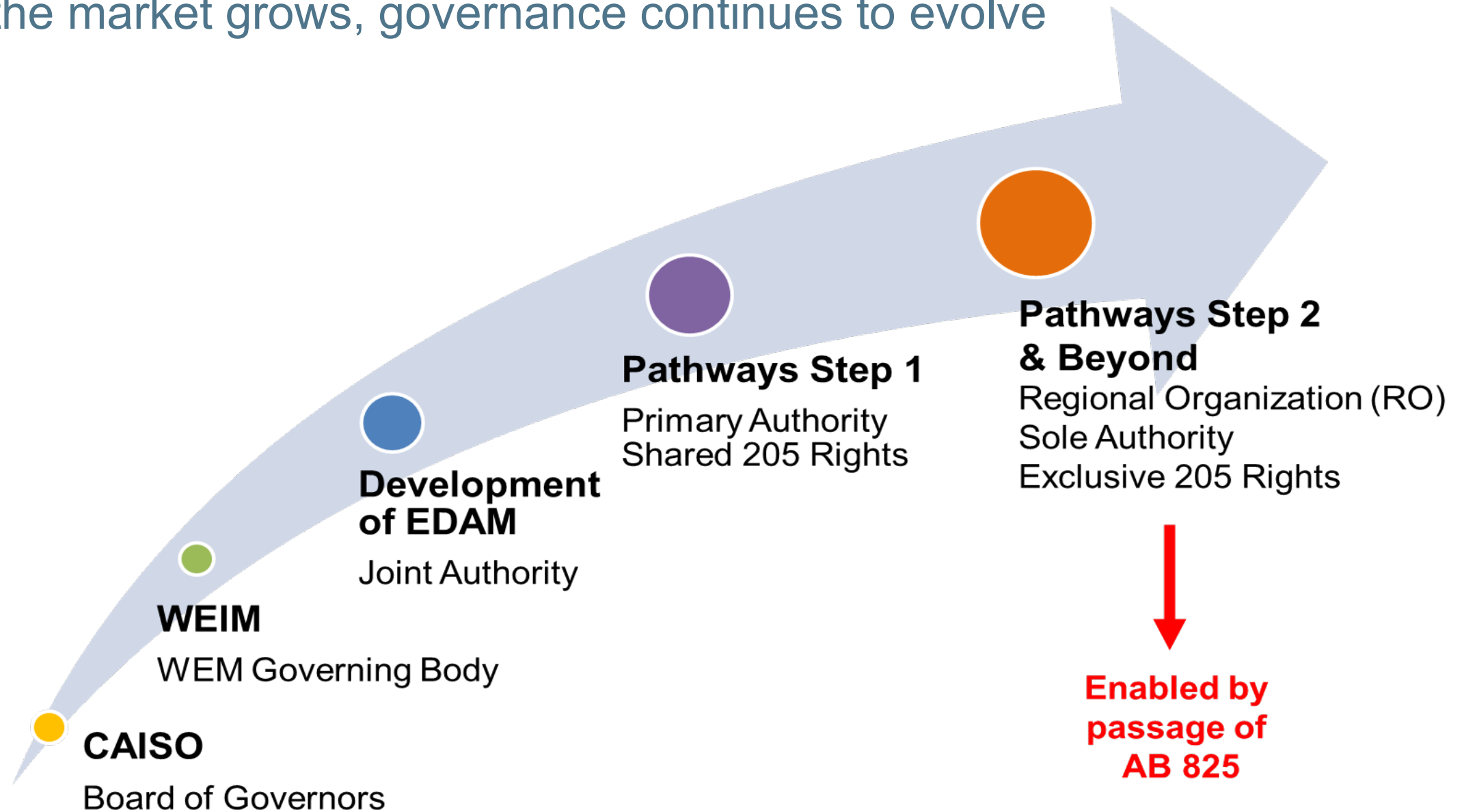
# Transfer volumes remained high in 2025 thanks to plethora of ETSRs



Total transfers in 2025

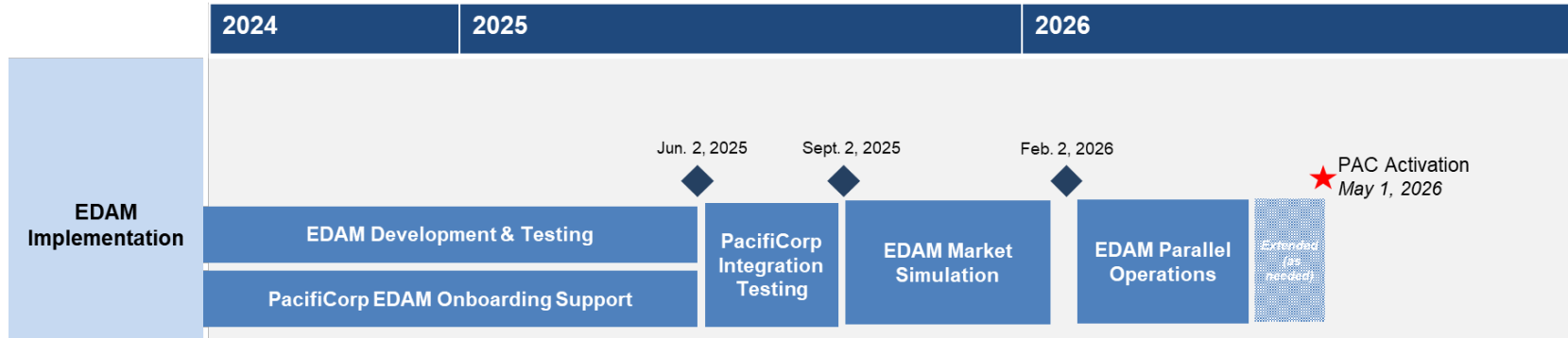


# As the market grows, governance continues to evolve



# Partnering for EDAM Success

Extended Day-Ahead Market (EDAM) officially activated starting trading day May 1, 2026.



PacifiCorp successfully joined EDAM on 5/1/26 on time, after a multi year effort.

- The market has stabilized and has consistently published day-ahead results on time.
- PAC has consistently passed day-ahead resource sufficiency evaluation (DA-RSE) tests.
- Successfully published first Settlement statement on 5/14 as scheduled.

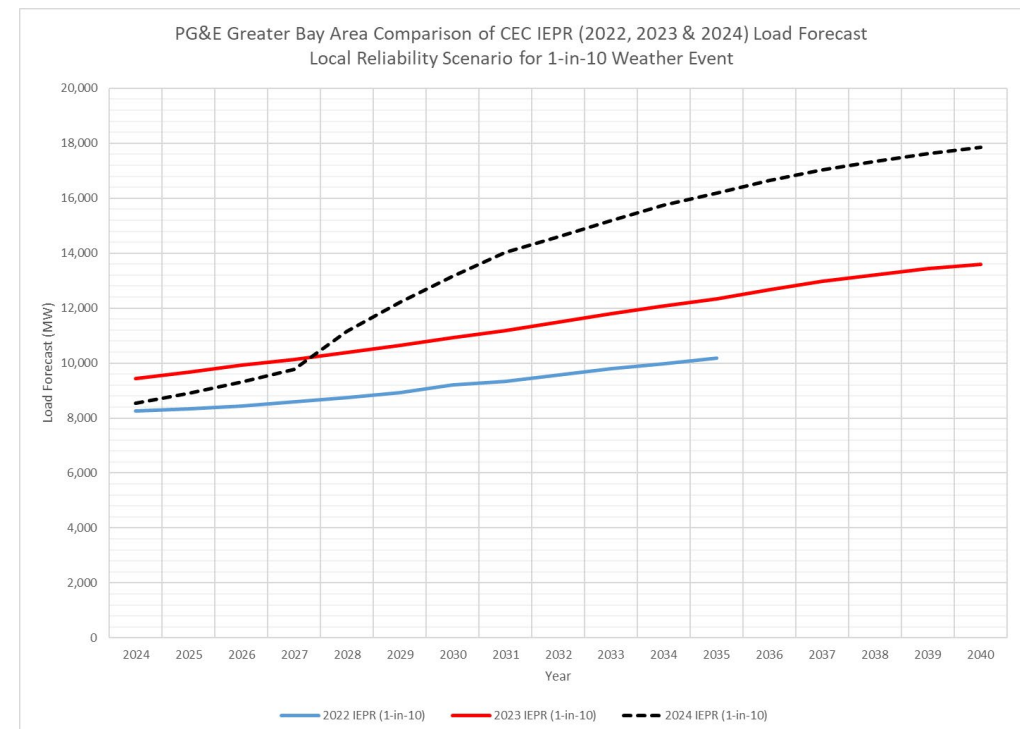
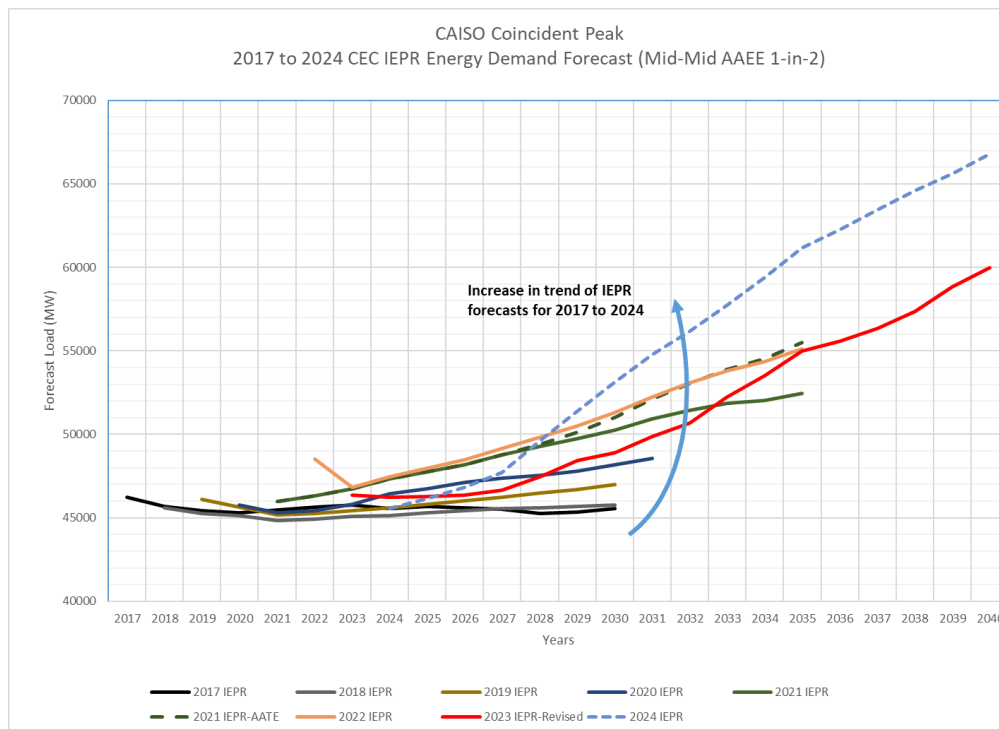
## Looking Foward

- Fall 2026 on-boarding: Portland General Electric
- Fall 2027 on-boarding: **Balancing Area Northern California**, Los Angeles Department of Water & Power, Public Service Company of New Mexico, and Turlock Irrigation District
- Fall 2028 on-boarding: Imperial Irrigation District

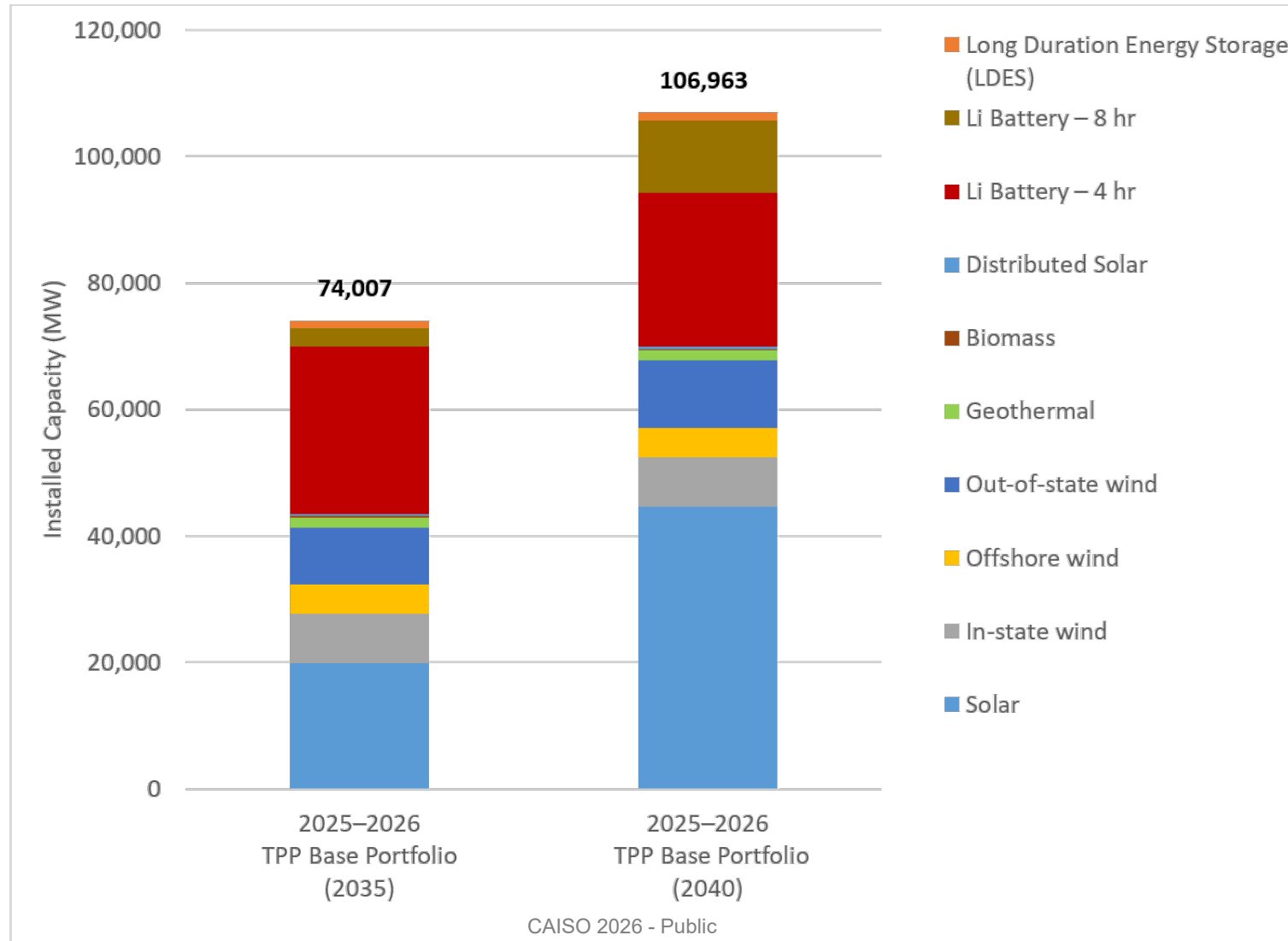
# TRANSMISSION PLAN SUPPORTING LOAD GROWTH AND RESOURCE DEVELOPMENT

# The CEC load forecast for the ISO system continues to increase in the 2025-2026 planning cycle

- The increase in load growth is seen across the entire ISO system, especially in 10 to 15-year planning horizon, and particularly in the Greater Bay area
- The Greater Bay area is affected by concentration of datacenter loads in addition to other load growth



# The CPUC resource portfolios have also grown in response to increasing load requirements



# Major Capital Projects with Significant Grid Impact



## 2025-2026 Transmission Plan

- ① Trout Canyon – Lugo 500 kV Line
- Ⓝ Identified Need: Path 15/26 Corridor Upgrade

## 2024-2025 Transmission Plan

- ② Manning – Metcalf 500 kV Line
- ③ NRS – San Jose B 230 kV Line

## 2023-2024 Transmission Plan

- ④ Humboldt 500 kV Substation & 500 kV Line to Collinsville
- ⑤ Humboldt – Fern Road 500 kV Line

## 2022-2023 Transmission Plan

- ⑥ Imperial Valley – North of SONGS 500 kV Line and Substation
- ⑦ North of SONGS – Serrano 500 kV Line
- ⑧ North Gila – Imperial Valley 500 kV Line

## 2021-2022 Transmission Plan

- ⑨ Manning 500/230 kV Substation (Los Banos – Gates)
- ⑩ Collinsville 500/230 kV Substation (Vaca Dixon – Tesla)
- ⑪ Newark – NRS 230 kV HVDC
- ⑫ Metcalf – San Jose B HVDC

# Significant Transmission Projects in the Western Interconnection

- In-Service   
  In-Development
- 1 North Plains Connector
  - 2 Montana – Idaho Transmission Line
  - 3 Boardman – Hemmingway
  - 4 Blueprint North
  - 5 Blueprint South
  - 6 Gateway West
  - 7 Gateway South
  - 8 Gateway Central
  - 9 SWIP North
  - 10 Greenlink Nevada
  - 11 ON Line
  - 12 Cross-Tie
  - 13 TransWest Express DC
  - 14 Transwest Express AC
  - 15 Colorado Power Pathway
  - 16 DesertLink
  - 17 Ten West Project
  - 18 SunZia
  - 19 BOLO
  - 20 Imperial Valley – North Gila #2
  - 21 Southline Transmission
  - 22 Identified Need: Path 15/26 Corridor Upgrade

