

Data-Center Queue Reckoning Overtakes a Cooler Grid Week

August 1-7, 2026

Executive Summary

North American wholesale power markets entered August in a decidedly calmer operational posture than the record-setting stretch that closed July. Across the eastern and central grids the punishing heat that had driven late-July peaks receded, and no system operator reported a region-wide capacity emergency during the August 1-7 window. With weather backing off, the week's most consequential developments were structural rather than price-driven, and they clustered around a single theme: the collision between explosive data-center load growth and interconnection processes that were never built for it. In Texas that collision became the dominant national story, as ERCOT launched its Batch Zero large-load study on August 3 with roughly 205 GW across 326 projects, only to have Governor Greg Abbott order the process halted the next day pending a comprehensive audit of data-center applicants. State regulators elsewhere moved in parallel to insulate ordinary ratepayers from data-center costs, with the Virginia State Corporation Commission reordering Dominion's transmission cost allocation on August 3 and the Public Utilities Commission of Ohio approving AEP Ohio retail-rule changes on August 5.

The week's other center of gravity was the West, where resource-adequacy strain and the contest to define the region's day-ahead market both advanced. The SPP Board of Directors granted "urgent" status on August 6 to a tariff change addressing the resource-adequacy shortfalls that had triggered back-to-back energy emergency alerts in SPP's Western balancing authority area during late July, while on the same day the Ninth Circuit heard oral argument in the long-running dispute over Bonneville Power Administration's leaning toward SPP Markets+ over CAISO's Extended Day-Ahead Market. CAISO, meanwhile, drew attention to the value of the existing Western construct with its first combined Western Energy Markets quarterly benefits report, which trade press covered on August 2 and which pegged second-quarter WEIM and EDAM gross benefits at roughly \$471 million. Corporate consolidation also cleared a hurdle as FERC approved Vistra's acquisition of Cogentrix on August 6 over market-monitor objections, and PJM completed the application-review stage of its first cluster-based interconnection cycle. Several markets, particularly NYISO, IESO and AESO, saw genuinely thin in-window activity, a reflection of both the milder weather and the early-August lull.

CAISO

CAISO operated throughout the week without a publicly reported system-wide emergency, Flex Alert or grid-stress event, consistent with the broad easing of Western temperatures after July's heat. No notable real-time scarcity pricing surfaced in publicly available reporting for the August 1-7 period, and specific settled hub prices for the week were not published through accessible channels in the window; the picture was one of routine summer operation rather than stress. The most concrete regulatory development touching CAISO came on

August 6, when FERC accepted a set of interconnection payment and schedule revisions tied to the operator's Interconnection Process Enhancements initiative, unifying shared payment and authorization schedules for certain customers. The order drew objections from the Large-Scale Solar Association and others who warned that some refunds could be jeopardized under the revised mechanics.

Governance and seams work occupied much of the week's stakeholder attention. Trade-press coverage on August 3 detailed a CAISO market-seams workshop examining how

EDAM will interface with SPP's Markets+ at their shared boundary, with panelists drawn from FERC, The Brattle Group, Grid Strategies and Renewable Northwest cautioning against over-applying lessons from the seams between eastern RTOs. The discussion was preliminary and produced no decisions, but it underscored that the operational and commercial mechanics of a divided Western footprint are now an active planning concern. Beyond the seams effort, CAISO's resource-adequacy proceeding at the California Public Utilities Commission continued in the background, though no in-window decision or ruling could be confirmed, and no California legislative or state-policy action fell within the reporting window.

WEIM/EDAM

The Western Energy Imbalance Market and Extended Day-Ahead Market drew their most significant attention of the week from CAISO's first combined Western Energy Markets quarterly benefits report, which trade press covered on August 2. The report placed total second-quarter 2026 gross benefits from the two markets at roughly \$471 million, with WEIM accounting for about \$459.7 million and EDAM contributing \$11.38 million as that newer day-ahead construct continues to ramp. Among WEIM participants, NV Energy, the Los Angeles Department of Water and Power and PacifiCorp registered the largest quarterly benefits, while the report put cumulative WEIM benefits since the market's 2014 inception at approximately \$9.08 billion. The document also credited the markets with avoiding roughly 84,000 metric tons of carbon dioxide in the quarter through reduced renewable curtailment.

The strategic contest over the West's day-ahead future sharpened on August 6, when the Ninth Circuit heard oral argument in a suit challenging Bonneville Power Administration's tilt toward SPP Markets+ rather than EDAM. Bonneville told the court it has not made a final, binding legal commitment to Markets+ and has yet to choose definitively between the two constructs, while the judges pressed both that characterization and the standing of the environmental and consumer nonprofits that brought the case. Because Bonneville is the single most consequential undecided participant in the West, the argument carried outsized significance for EDAM's eventual footprint. No new EDAM entrant commitments, go-live milestones or generator announcements specific to the Western markets were reported within the window, leaving the litigation and the benefits report as the week's defining items.

ERCOT

ERCOT posted a moderate load week rather than a record one, as Texas temperatures settled closer to seasonal norms and elevated wind and near-record solar and battery output eased real-time conditions. Peak demand reached roughly 87,000 MW on August 4, with forecast peaks near 89,000 MW on August 5 and 6, all comfortably below the unofficial all-time record of about 91,089 MW set on July 22. Consistent with that softer supply-demand balance, no system-wide energy emergency was declared during the window and no scarcity price event was reported; specific settled real-time hub prices for the week were not available through public channels, but the operating and weather picture pointed to soft-to-moderate pricing rather than triple-digit spikes.

The dominant ERCOT story was policy, and it moved quickly. On August 3 the operator launched its "Batch Zero" large-load study process, the first pass through its new coordinated approach for very large interconnections, and the response dwarfed expectations: roughly 205 GW across 326 projects, more than double the initial projection and driven overwhelmingly by data centers, with discussion turning to the 765-kV transmission that such growth would require. The following day, August 4, Governor Greg Abbott directed ERCOT and the Public Utility Commission of Texas to halt the batch studies and conduct a comprehensive verification and audit of the data-center projects moving through the process, effectively pausing the queue and injecting substantial uncertainty into the state's interconnection pipeline just as it was getting underway. The whiplash between the Batch Zero launch and the gubernatorial halt captured the broader national tension over how to absorb data-center demand without shifting cost and risk onto existing customers.

SPP

SPP's Integrated Marketplace operated without a publicly identified region-wide emergency during the window, but the resource-adequacy strain in its Western balancing authority area remained the defining operational concern. That strain had produced two energy emergency alerts within an eight-day span in late July, with the operator coming close to a third, exposing thin margins in the newer Western footprint. No specific in-window settled real-time price figures for the Integrated Marketplace were available through public sources, and the eastern RTO footprint itself appeared to operate routinely as central-U.S. weather moderated.

The week's concrete SPP development came at the board level. On August 6 the SPP Board of Directors granted "urgent" status to a Western balancing authority area tariff change designed to incentivize physical supply contributions and shore up resource adequacy in the region following July's emergencies. The urgent designation is intended to expedite the modification through SPP's stakeholder process and on to FERC, reflecting how seriously the operator is treating the Western shortfalls. The action signals that resource adequacy in SPP's expanding Western territory has moved from a monitoring concern to one requiring accelerated market-rule intervention, and it sets up a compressed regulatory timeline in the weeks ahead.

SPP Markets+

SPP Markets+ remained in its Phase Two implementation stage and therefore had no live daily real-time prices or operational metrics to report during the window. Newsroom and stakeholder channels produced no new funding, tariff-filing or participant-commitment milestones within August 1-7; the most recent participant commitments on record, from Grant County PUD and Tacoma Power, predate the window and target an October 2028 start. In the absence of live operations, the initiative's trajectory continued to be measured by governance progress and by the decisions of prospective Western entrants weighing Markets+ against EDAM.

The most material in-window development for Markets+ was indirect but significant: the August 6 Ninth Circuit oral argument over Bonneville Power Administration's day-ahead-market direction. Bonneville's statement to the court that it has not made a final, legally binding commitment to Markets+ tempered assumptions about the initiative's western momentum, since Bonneville's ultimate choice will heavily influence the market's scale and liquidity. A CAISO market-seams workshop covered on August 3 also touched Markets+ dynamics by examining the EDAM-Markets+ boundary, but that was scene-setting rather than a Markets+ milestone. Taken together, the week reinforced that the competition to define the West's day-ahead landscape is now playing out as much in the courts and at seams workshops as in tariff filings.

MISO

MISO's market operated throughout the week without a widely reported system-wide emergency or peak-load record, as the extreme heat that had characterized late July gave way to milder conditions across the Midcontinent. No specific in-window real-time price figures surfaced through publicly accessible channels, and the operational tone was routine. Stakeholder friction over

interconnection, however, was pointed: at an industry summit covered on August 2, generation developers including EDP Renewables and Engie North America publicly criticized MISO's "add-on" queue processes and its use of automated, AI-produced queue studies, arguing that the mechanics were adding delay and uncertainty to an already strained pipeline.

Regional regulatory and sentiment developments rounded out the week. In Indiana, a MISO state, former Utility Regulatory Commission chair Andy Zay was removed from the commission entirely in early August following an earlier demotion, a personnel shift covered on August 5 that bears on the regulatory posture of a key MISO jurisdiction. On the resource side, panelists at the same Midcontinent clean-energy summit covered August 2, including representatives of U.S. Clean Energy, Modco Energy and Orsted, expressed optimism about MISO's energy-storage prospects, though the commentary reflected market sentiment rather than any specific project or capacity procurement. No MISO capacity auction or formal resource-adequacy filing fell within the window.

PJM

PJM began the reporting period still recovering from the prior weeks' record-breaking heat, but conditions normalized over the window and no comparable in-window heat event, load record or scarcity price event was reported. The more durable operational story was interconnection reform: on August 5 PJM completed the application-review stage of its first cluster-based cycle, Cycle 1, screening projects and collecting readiness deposits so that 715 projects advanced while roughly 26.7 GW of nameplate capacity withdrew during review. The milestone marked PJM's transition away from its legacy serial queue and offered an early read on how much speculative capacity the new readiness requirements would filter out.

State policy and consolidation dominated the balance of PJM's week, again centered on data centers. The Virginia State Corporation Commission on August 3 ordered immediate changes to Dominion's transmission cost allocation, cutting the residential-ratepayer share by roughly two-thirds while deferring the broader question of assigning transmission costs directly to large loads, and on August 5 the Public Utilities Commission of Ohio approved AEP Ohio retail-rule changes aimed at shielding retail customers from data-center-driven wholesale cost shifts. On the corporate front, FERC approved Vistra's acquisition of Cogentrix on August 6 over objections from PJM's market monitor, expanding Vistra's generation footprint, while PJM stakeholders separately endorsed changes to generator-deactivation study processes reported on August 4.

Dominion's August 3 earnings call, emphasizing data-center load growth, its pending corporate matters and the Coastal Virginia Offshore Wind project, reinforced how thoroughly load growth now frames the PJM investment narrative.

ISONE

ISO New England's public market and operations reporting showed a normal summer operating pattern during the window, with the region's most significant heat and price events having occurred earlier in July rather than in the August 1-7 period. The operator's one clearly in-window data release came on August 7, when it published its monthly summary of June wholesale electricity prices and demand, a retrospective look rather than a reflection of current-week conditions. No system-wide emergency, capacity deficiency or notable real-time scarcity event was reported for the week, consistent with the broader easing of Northeast temperatures.

Stakeholder and corporate developments were more substantive. On August 6 the NEPOOL Participants Committee voted to support a proposed ISO-NE "Asset Condition Reviewer" role intended to increase scrutiny of spending on local transmission upgrades, an incremental but meaningful step in the region's long-running effort to discipline transmission cost recovery. On the generation side, Eversource disclosed a \$164 million after-tax charge, covered on August 2, tied to federal stop-work orders affecting the Revolution Wind offshore project, underscoring the continuing financial toll of federal offshore-wind uncertainty on New England developers. FERC's August 6 approval of the Vistra-Cogentrix merger also touched ISO-NE, expanding Vistra's presence in the regional generation fleet over the internal market monitor's concerns.

NYISO

NYISO experienced a genuinely quiet week, with no market operations, price or reliability event that could be confirmed within the August 1-7 window. The state's near-record demand and elevated prices had come during the early- and late-July heat waves, well before the reporting period, and the milder early-August weather left the system operating routinely. No monthly settlement data for July had yet been published, as those figures typically post later in the following month, and no specific in-window real-time price figures were available through public channels.

Regulatory activity affecting NYISO was similarly muted within the window, though a significant deadline loomed just beyond it. FERC's June order directing NYISO to revise its tariff

to expedite large-load and data-center interconnection carried a response timeline landing around mid-August, placing the operator's substantive filing just after the reporting period rather than within it. No New York Public Service Commission order, stakeholder committee outcome or generator announcement could be confirmed as falling inside August 1-7. The week is best characterized as a lull between the summer's peak-demand stress and the approaching regulatory milestones on large-load integration.

AESO

Alberta's market operated without a publicly reported system-wide emergency, grid alert or price record during the week, and the August long weekend that opens the month contributed to a light news cycle. Authoritative pool-price data for the specific August 1-7 period could not be confirmed through accessible channels, as the operator's real-time reporting pages did not return retrievable figures, so weekly price levels are best treated as unconfirmed rather than characterized. The operational tone, absent any reported alert or emergency, appeared routine for early August.

The week's substantive development concerned market design under Alberta's Restructured Energy Market transition. Trade-press coverage on August 4 detailed a late-July AESO stakeholder session at which the operator presented three possible changes to its definition of "inflexible block" offers, a fairness question that arises when inflexible generation exceeds demand, and reported that four organizations, including Calgary-area gas operator ENMAX, had submitted formal feedback. The item reflects the incremental, consultative pace of the REM redesign; no go-live date change, ISO-rules filing or other major REM milestone was published within the window, and the transition's core workstreams on technical design, market rules and participant readiness remained open without in-window resolution.

IESO

Ontario's renewed wholesale market continued normal operations throughout the week, with no in-window heat event, demand record or price event that could be confirmed. The province's notable demand peaks and elevated prices had occurred during the July heat, outside the reporting window, and Ontario's own August civic holiday reinforced a quiet early-month news environment. Monthly market data reflecting July settlement figures had not yet been published, as those reports typically post around the twentieth of the following month, so

weekly Hourly Ontario Energy Price levels for the period remain unconfirmed.

On the policy and procurement side, no IESO stakeholder meeting outcome, Ontario Energy Board order or generation announcement could be confirmed as falling within August 1-7. The operator's Market Renewal Program, whose single-schedule

market design went live in May 2025, is now in its first full year of operation but generated no in-window bulletins, and the most recent Long-Term procurement results predate the window by several months. The week is fairly described as one of steady-state operation for Ontario, with the market functioning normally and the next substantive data and procurement milestones falling after the reporting period.

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