# September Heat Breaks a MISO Record as Bonneville Tilts the West Toward EDAM

**August 29 - September 4, 2026**

## Executive Summary

North American wholesale power markets were dominated by an early-September heat dome that pushed the central and eastern grids into emergency or near-emergency operations even as the calendar turned toward Labor Day. MISO set its highest-ever September peak of roughly 123 GW on September 2 and briefly declared a footprint-wide Energy Emergency Alert, while PJM reached about 152.5 GW on September 1, issued Maximum Generation and Load Management alerts, and drew a fresh U.S. Department of Energy Section 202(c) order authorizing additional dispatch and large-load backup generation through September 8. ERCOT approached its own late-summer highs, peaking near 88.8 GW on August 30 before Tropical Storm Edouard swept moisture across Texas and cut demand to roughly 84 GW by September 1. Elsewhere the heat was more muted, as neither California, the Northeast, nor the Canadian markets reported a system emergency, and much of the week read as shoulder-season across the West.

The more durable developments were structural rather than operational. In the West, newly installed Bonneville Power Administration Administrator Travis Kavulla signaled that BPA is now leaning toward CAISO's Extended Day-Ahead Market over SPP's Markets+, conditioned on governance-independence principles he laid out to the Regional Organization for Western Energy, a potential reversal that would reshape the day-ahead map across the Pacific Northwest. Large-load and data-center integration dominated the reliability agenda, with MISO filing a large-load reliability package at FERC, ERCOT missing a Batch Zero notification deadline, and an Oklo-Meta nuclear project escalating its interconnection dispute with PJM. Capacity-market reform advanced in the Northeast as FERC accepted a sharp reduction in ISO-NE's pay-for-performance rate and NYISO charted the direction of its next demand-curve reset. Taken together, the week underscored a market increasingly shaped by data-center load growth, contested Western governance, and the search for durable resource-adequacy tools.

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## CAISO

CAISO operated through the week without a publicly reported system-wide emergency, and California was notably spared the acute heat that strained the Midwest and Mid-Atlantic. Conditions read as mild to shoulder-season, with no Flex Alert, load record, or scarcity event surfacing in official communications during the seven days. Daily real-time price peaks tracked ordinary late-summer afternoon demand and localized congestion rather than any grid-wide stress. The clearest market-cost signal of the week was a renewed reminder of the widening gap between falling wholesale energy costs and rising residential retail bills, a divergence that continues to frame California's affordability debate even in a quiet operating stretch.

Governance and infrastructure work carried the week's substance. On August 30 the CAISO Board of Governors lifted a hold on and approved a pair of Silicon Valley transmission projects, including a 115-kV De Anza substation upgrade developed with Pacific Gas and Electric and Silicon Valley Power to serve concentrated data-center and technology load in the region. The approval underscored how large-load growth is now driving discrete transmission decisions inside CAISO's footprint. On the resource-adequacy front, a comment deadline arrived early in the month for CAISO's draft final effective flexible-capacity values for 2027, keeping the flexible-capacity

procurement framework in front of stakeholders as the operator continues to refine how it counts fast-ramping resources for reliability.

## WEIM/EDAM

The Western market-design contest was the dominant story of the week, and it centered on the Bonneville Power Administration. Roughly two months into his tenure, Administrator Travis Kavulla reopened BPA's day-ahead market choice, signaling late in the week that the agency is leaning toward CAISO's Extended Day-Ahead Market rather than SPP's Markets+ if a set of governance-independence conditions can be met. In a letter to the Regional Organization for Western Energy, Kavulla framed BPA's participation around principles centered on preserving operational independence, casting the shift as conditional rather than final. Because BPA anchors Northwest hydropower and load, any move toward EDAM would consolidate the Western day-ahead footprint around CAISO's construct and materially weaken the competing Markets+ coalition.

Underlying WEIM and EDAM operations continued to knit together balancing across the West without a reported region-wide emergency, providing the real-time and, increasingly, day-ahead coordination that has become central to Western reliability. Attention on the implementation side remained fixed on participant readiness, with Portland General Electric still tracking toward an October 1 EDAM entry even as CAISO worked through lingering settlement discrepancies from earlier onboarding. BPA reinforced the week's theme by releasing an updated strategic plan prioritizing rapid grid expansion and faster interconnection access through 2030. With EDAM already live and pulling on many of the same Northwest and Desert Southwest utilities that Markets+ had counted, the governance question Kavulla raised now looms over every prospective entrant's decision.

## ERCOT

ERCOT's week captured the abrupt late-summer swing from heat to storm. Demand ran hot into the Labor Day approach, with peak hourly load reaching about 88.8 GW on August 30, above the upper band of the trailing five-year range though still shy of the roughly 91 GW all-time record set in July, and holding near 88.5 GW on August 31 as real-time prices firmed. The pattern broke when Tropical Storm Edouard moved in around the start of September, spreading rain and cloud cover across the Dallas and Gulf Coast zones and pulling peak demand down to roughly 84 GW by September 1. The net was a market that opened near record load with active real-time pricing before deflating mid-week as cooler, wetter conditions arrived, though specific settlement-point price peaks were not publicly confirmed for the window.

The week's principal regulatory thread was again large-load integration. ERCOT missed a deadline to notify transmission and distribution providers of their data-center customers' conditional classification status under the Batch Zero large-load study, a slip that drew attention because Batch Zero sits at the operational core of the state's new large-load regime under Senate Bill 6. The study, and the broader interconnection review it feeds, is central to how ERCOT manages the extraordinary volume of interconnection interest that has prompted a more deliberate large-load queue process and a governor-directed audit due later in the year. No board or commission action was confirmed inside the window, leaving the missed notification as the most consequential in-week development on the policy side.

## SPP

SPP's Integrated Marketplace operated without a publicly identified region-wide emergency during the week, and the eastern footprint saw no verifiable heat or price event of note. The operator's reliability attention instead centered on its Western balancing-authority area, where tight capacity margins had triggered three Energy Emergency Alerts over the course of the summer. Data presented to the SPP board showed that imports had covered the shortfall on nearly every tight day from April into August, underscoring how thin the Western margin has become and how dependent the area remains on neighboring supply during peak conditions.

Against that backdrop, the SPP Board of Directors approved a temporary tariff change early in September to address the Western balancing-authority capacity margins, following stakeholder endorsement the prior week. Staff framed the measure as a stopgap designed to sunset before broader, permanent market changes take effect, a bridge intended to hold reliability together while longer-term solutions mature. Beyond that action, verifiable SPP activity within the seven days was relatively thin, with the organization's larger transmission, cost-allocation, and East-West transfer initiatives falling on either side of the reporting window rather than squarely within it.

## SPP Markets+

SPP Markets+ remained a market in development, with no live daily price formation, and its week was defined entirely by the competitive threat emerging in the Pacific Northwest. The

Bonneville Power Administration's signal that it is leaning toward CAISO's EDAM, conditioned on governance independence, represented the first concrete in-window sign that the anchor participant Markets+ had courted may ultimately walk. Because BPA's earlier draft record of decision had favored Markets+, a reversal would strike at the initiative's Western footprint and hand momentum to the rival EDAM construct just as both approach their launch milestones.

Markets+ nonetheless retains meaningful structural advantages, including its FERC-approved tariff and a funded second-phase governance process building toward an October 2027 launch target. The through-line for the week was governance rather than economics, as prospective participants across the Northwest, the Rockies, and Arizona increasingly weigh which construct offers durable independent oversight, and Kavulla's conditions placed that question at the center of the decision. The FERC-directed seams-coordination work between CAISO and SPP remains the regulatory backdrop, but the immediate contest is now a competition for anchor load, and this week that contest tilted toward EDAM.

## MISO

MISO produced the week's marquee operational event, setting its highest-ever September peak of roughly 123 GW on September 2 as an intense early-September heat dome settled over the footprint. The operator declared an Energy Emergency Alert across its entire territory, a step it described as short-lived but a striking one so late in the summer, and one that underscored how compressed the region's reserve margins have become during heat events. Day-ahead pricing tightened with the load, though settled real-time figures were not published in the public reporting, leaving the emergency declaration itself as the clearest scarcity signal of the week.

The regulatory story reinforced the reliability theme. MISO filed a large-load reliability package at FERC that would define large loads as those exceeding 50 MW and computational loads as large loads carrying at least 25 MW of information-technology equipment, imposing visibility, phasor-measurement monitoring, ramp-rate, and ride-through requirements with a requested December effective date. Stakeholders pressed the operator to go beyond the federal directive, urging protections so that transmission built to interconnect large loads is not involuntarily paid for by other customers, and calling for earlier evaluation of cost overruns on major transmission projects. The exchanges highlighted the cost-allocation anxieties now accompanying MISO's data-center-driven load growth and its long-range transmission buildout.

## PJM

PJM spent the week managing the same heat dome without breaking a record. A preliminary peak of about 152.5 GW on September 1 ran well below the roughly 161 to 163 GW highs the system reached in July, but the strain was real, as PJM issued Maximum Generation and Load Management alerts for September 2 and 3, extended a Hot Weather Alert through September 4, and called a pre-emergency load-management action across several zones on September 1. The federal government stepped in the same day, with the Department of Energy issuing a Section 202(c) order directing specified units to run and authorizing large-load backup generation and permit relief through September 8, after PJM cited a forecast above 152 GW against roughly 15 GW of generation outages.

The interconnection docket produced the week's sharpest dispute, as Oklo filed an emergency complaint at FERC after PJM removed its 750-MW Meta-backed advanced-nuclear, fuel-cell, and gas project in southern Ohio from the Cycle 1 study over a low-voltage ride-through showing, a withdrawal the developer said would delay the project by more than a year. On the capacity side, newly published summaries of PJM's August stakeholder meetings showed members endorsing planning parameters for the 2029/2030 Base Residual Auction and weighing three proposals to rework the reserve market in response to poor resource performance and renewable forecast uncertainty. Together the items captured PJM's twin pressures of connecting large new loads quickly while shoring up a capacity construct that has repeatedly cleared at elevated prices.

## ISONE

ISO New England ran a normal summer operating pattern through the week, with no system emergency or price record reported and the region largely outside the worst of the heat that gripped the interior grids. The substantive news was regulatory, as FERC accepted a reduction in the region's capacity performance payment rate from $9,337 to $3,500 per MWh, concluding that the lower rate still preserves adequate incentives for resources to perform during scarcity conditions. The change recalibrates the pay-for-performance mechanism that sits atop the Forward Capacity Market, easing the financial intensity of the penalty-and-bonus structure that has shaped New England generator behavior during tight intervals.

A parallel proceeding over transmission returns advanced at FERC, where New England's transmission owners, state agencies, consumer advocates, and clean-energy groups sparred over the inputs and methodology for the base return on equity,

with a new base rate slated to take effect at the end of November. Positions on the record ranged from roughly 9.0 percent advocated by consumer advocates and most of the states to nearly 9.8 percent sought by some municipal and cooperative interests, a spread that will meaningfully affect the cost of the region's substantial transmission buildout. The dispute reflects the broader tension across the Northeast between accelerating transmission investment and containing the ratepayer cost of financing it.

## NYISO

NYISO passed the week without a reported record load or price spike, and the period read as a routine late-summer operating stretch. Its principal development came in capacity-market design, as staff unveiled recommendations for the periodic demand-curve reset that signaled openness to revising the shape of the installed-capacity demand curve while maintaining the current proxy unit rather than switching to a different reference technology. The direction matters because the demand curve governs how much capacity revenue flows to New York resources, and preserving the existing proxy unit points toward continuity in the parameters that underpin the state's resource-adequacy pricing.

Governance and interconnection questions rounded out the week. After stakeholder pushback against an earlier proposal to cut most of its 2027 project slate in favor of federal-compliance work, NYISO restored two initiatives to the budget through its budget-and-priorities process, a modest reversal that reflected member concern about deferring other work. Separately, the Alliance for Clean Energy New York filed a notice of appeal challenging the Operating Committee's approval of portions of the 2024 interconnection cluster study, extending a dispute over the transparency of upgrade-cost analyses. Both threads pointed to friction over how the operator prioritizes its workload and how clearly it communicates interconnection costs to developers.

## AESO

Alberta's market operated without a publicly reported system-wide emergency during a quiet, late-summer week, and no daily pool-price record or scarcity event surfaced in the reviewed materials. The province has spent much of 2026 characterized by soft prices, oversupply, and transmission congestion, and nothing in the window suggested a departure from that pattern. In the absence of a verifiable in-week price series, the operating picture is best read as subdued, with ample supply and moderate demand keeping the energy-only market well away from the tight conditions seen in some United States footprints.

The week's concrete development came from oversight rather than operations. Alberta's Market Surveillance Administrator closed an investigation faulting the AESO's monitoring of generator compliance with primary-frequency-response requirements, concluding that the operator had not adequately verified that units were meeting the immediate stability obligations that help arrest frequency deviations. The finding lands as the AESO continues its Restructured Energy Market transition, which entered a scheduled manual-and-rule engagement window in September ahead of further sessions later in the fall and winter and an implementation targeted for the middle of 2027. The frequency-response critique adds a reliability-governance dimension to a restructuring already reshaping how Alberta will dispatch and settle energy.

## IESO

Ontario's renewed wholesale market continued normal operations through the week, now reporting day-ahead and real-time zonal prices in place of the former hourly framework, with no province-wide emergency identified. The most consequential development was planning-oriented, as the IESO released new bulk transmission plans calling for another wave of development across much of the province, with reinforcements concentrated around its largest load centers in south and central Ontario, including the Greater Toronto Area and the Bruce region, as well as north of Sudbury and in Niagara. The plans deliberately pair near-term builds with preserved corridor options and tie directly into the connection needs of new nuclear at Bruce and Darlington and prospective small modular reactors.

Distributed-resource policy advanced alongside the transmission work. The Ontario Energy Board delivered a report to the province's energy minister recommending that Ontario replace net metering with time- and location-based net billing for distributed energy resources and exempt certain distribution-connected storage from retail transmission service charges, changes that would reshape the economics of behind-the-meter investment. The direction dovetailed with an industry report released the same week urging the IESO to create a dedicated procurement track for distributed and behind-the-meter storage, arguing that such resources are underused for peak management. Together the items pointed to a growing provincial focus on smaller, flexible resources as Ontario contends with demand growth and a large-scale nuclear and transmission agenda.

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