CAISO BAA Reliability and CAISO Day-Ahead Exports

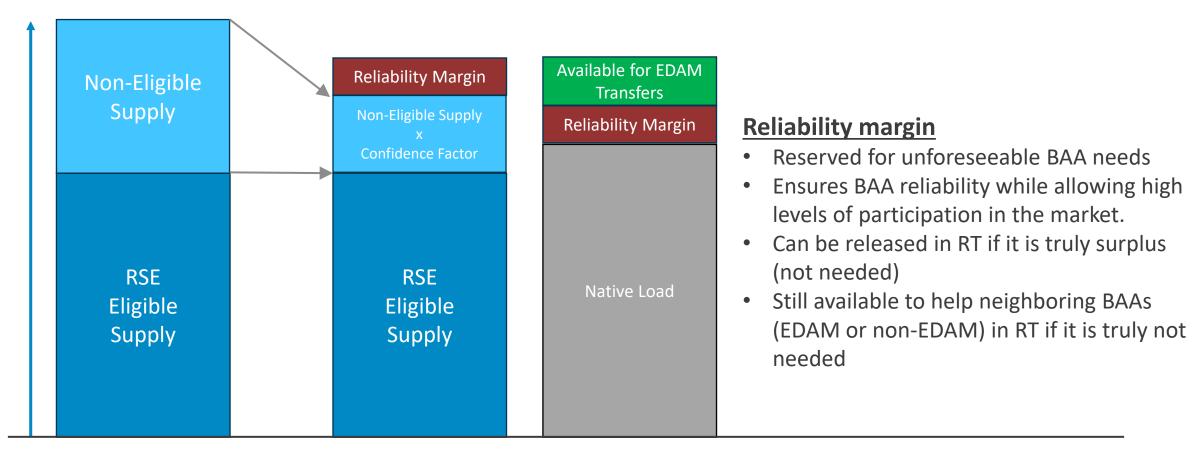
Todd Ryan, Principal Analyst, FERC-CAISO Policy Team





The Net-Export Constraint Protects Reliability

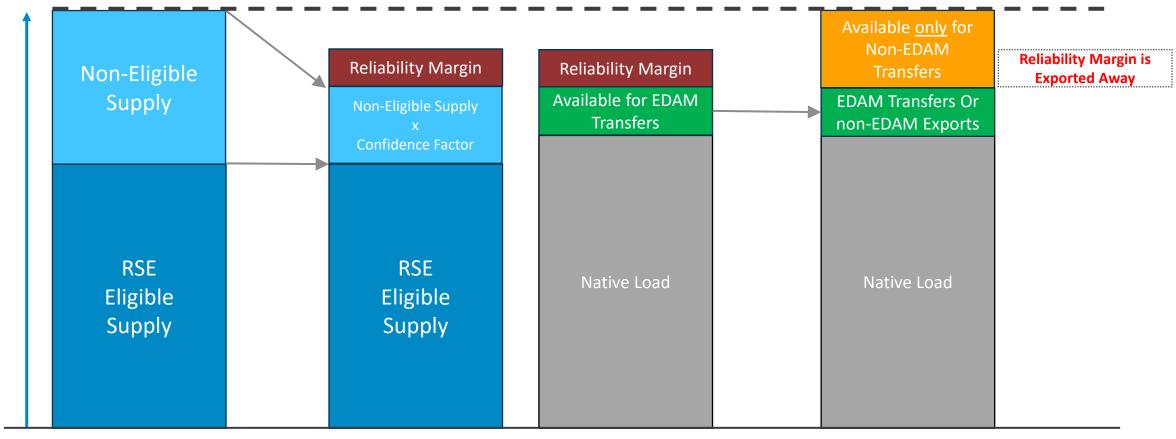
It makes sure a BAA does not overextend itself in the day-ahead timeframe.





This Day-Ahead Loophole should be closed

The Loophole eliminates the Reliability Margin and makes some supply only available to non-EDAM BAAs



Total DA Supply

EDAM Net-Export Constraint

Non-EDAM Exports



This loophole should be closed

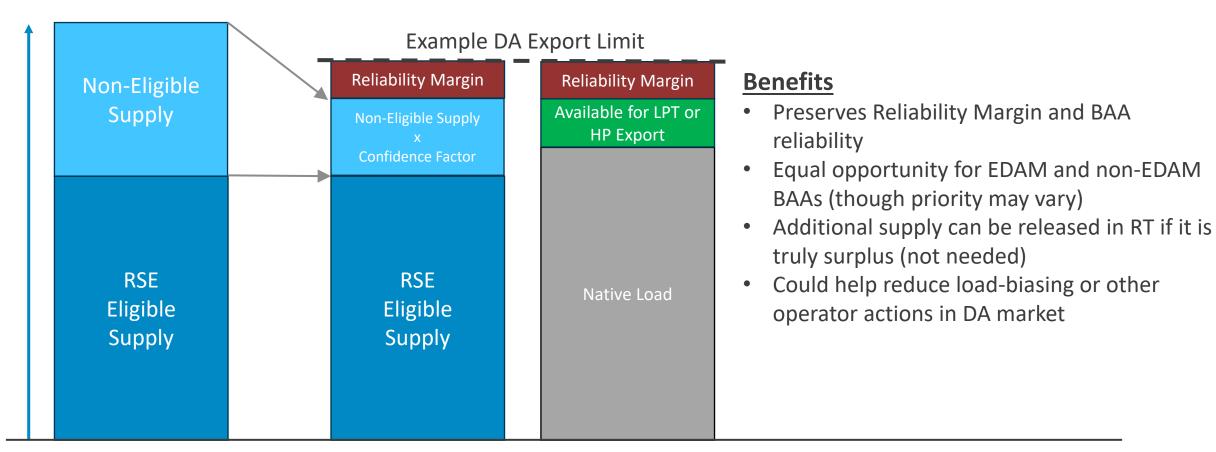
The loophole puts CAISO BAA Reliability at Risk as it undermines the EDAM Net-Export Constraint

- The loophole can eliminate the Reliability Margin
 - The Reliability Margin is insurance to make sure the CAISO BAA can meet its Day-Ahead Obligations
 - The loophole allows the Reliability Margin to be scheduled as lowpriority exports to non-EDAM BAAs
 - Those low-priority exports wouldn't be cut until ~EEA2
 - Causing the Reliability Margin to no be there when then CAISO BAA needs it
- The loophole could allow for some supply only to be offered to non-EDAM BAAs
 - This is an incentives to remain out of EDAM



Reasonable DA Export Limits

Reasonable limits on all DA Exports would close the loophole





Reasonable Limits on all DA Exports

Reasonable Economic Limits on all DA Exports (out of CAISO BAA) is a reasonable practice for a BAA

- This should be a priority for the CAISO BAA and the CAISO markets team
 - It helps maintain reliability
 - Corrects a gap in EDAM design
 - It is a reasonable BAA function
 - Could help with other issues like DA load conformance