

# CISO BAA PARTICIPATION IN THE EXTENDED DAY-AHEAD MARKET

Todd Ryan, Ph.D.  
Principal Market Design Analyst,  
FERC-CAISO Policy  
[todd.ryan2@pge.com](mailto:todd.ryan2@pge.com)



Together, Building  
a Better California

- **CAISO's two roles need to be clearly defined**
  - CISO BAA when referring to the BAA
  - CAISO when referring to the Market Operator
- **BAAs are participants in EDAM**
  - Deciding how to cure deficiencies
  - Setting Net-Export Limit parameter
- **Using clear nomenclature will avoid confusion and improve the conversation in this initiative**

**The CAISO (market operator) should not give preferential treatment to any one BAA or set of BAAs**

- No BAA should get preferential treatment
- No BAA should be at a disadvantage

**CISO BAAs processes need to be ready prior to EDAM launch**



# Principles for CISO BAA Settlements

- **Maintain Cost-Causation Linkages in RSE settlements**
- **Leverage our existing systems and experience**
- **Consistent accounting between BAAs with the TRR**

## **The CISO BAA needs to be an active EDAM participant**

- Setting net-transfer limit parameters
- Curing deficiencies

## **Equal autonomy for the CISO BAA to other BAAs**

- **Ensure that all entities can meet their individual share of capacity obligations**
  - Clear targets to hit
  - Transparency on hitting/missing targets
  - Consequences for failing to hitting target
  - Incentives to provide supply
  - Clear roles and responsibilities
  - Curing mechanism at different timeframes
- **Curing decision needs consider:**
  - Timing of the results
  - Size of the deficiency
  - Cost of the next incremental cure
  - Be a rational decision, not an algorithm

- **This initiative's top priority should be defining the two roles within CAISO**
  - CISO BAA (participant) and CAISO (Market Operator)
  - Responsibilities for each
  - Governance
- **CISO BAA voice needs to be in these discussions**