



California ISO


# Extended Day-Ahead Market (EDAM) Implementation Workshop: Intertie Schedule Modeling

December 15<sup>th</sup>, 2025

## Friendly Reminders

- This call is being recorded for informational and convenience purposes only; any related transcriptions should not be reprinted without ISO's permission
- This collaborative meeting is intended to stimulate open dialogue and engage different perspectives
- Please keep comments professional and respectful
- We welcome and look forward to your engagement and participation in today's meeting

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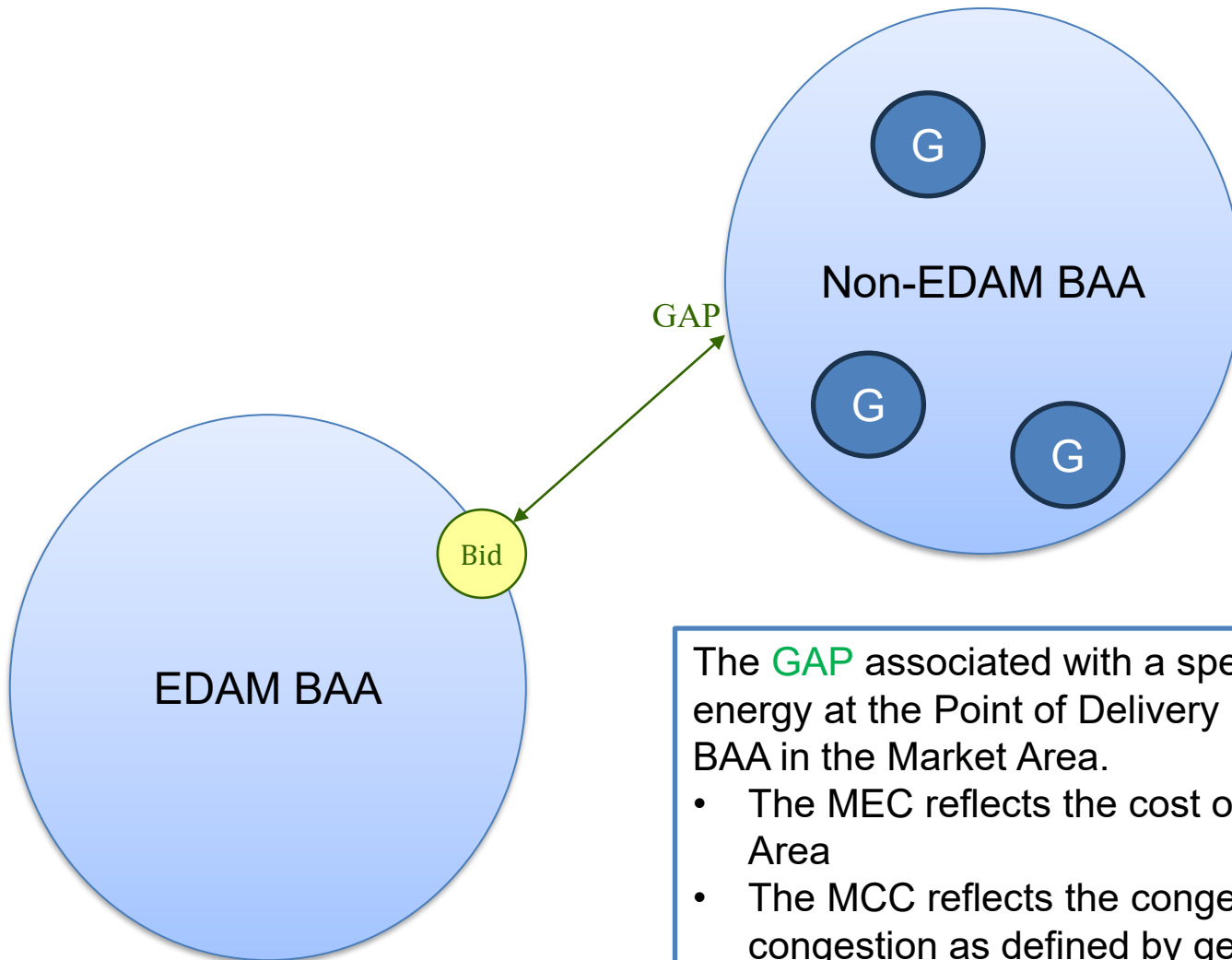
# Agenda

Time	Topic	Presenter
1:00 – 1:15 pm	Welcome	Christina Guimera
1:15 – 1:45 pm	Introduction and Overview	CAISO Team
1:45 – 2:45 pm	Resource Adequacy Imports into the CAISO Balancing Area	CAISO Team
2:45 – 3:00 pm	Next Steps	Christina Guimera

## Intertie Schedule Modeling - Background

- The FERC-approved EDAM tariff establishes for the modeling of intertie schedules at Generation Aggregation Points (GAP-Tie) on EDAM footprint interties.
- GAP-Tie modeling refers to the specific modeling combination of multiple supply resources in a balancing area combined with an intertie location associated with an import/export for scheduling and pricing purposes.
  - A more accurate representation of energy injections
- GAP-Tie modeling of intertie schedules is currently implemented at WEIM balancing area interties, but it is not implemented for CAISO balancing area interties.

# GAP-Tie Modeling of Intertie Schedules



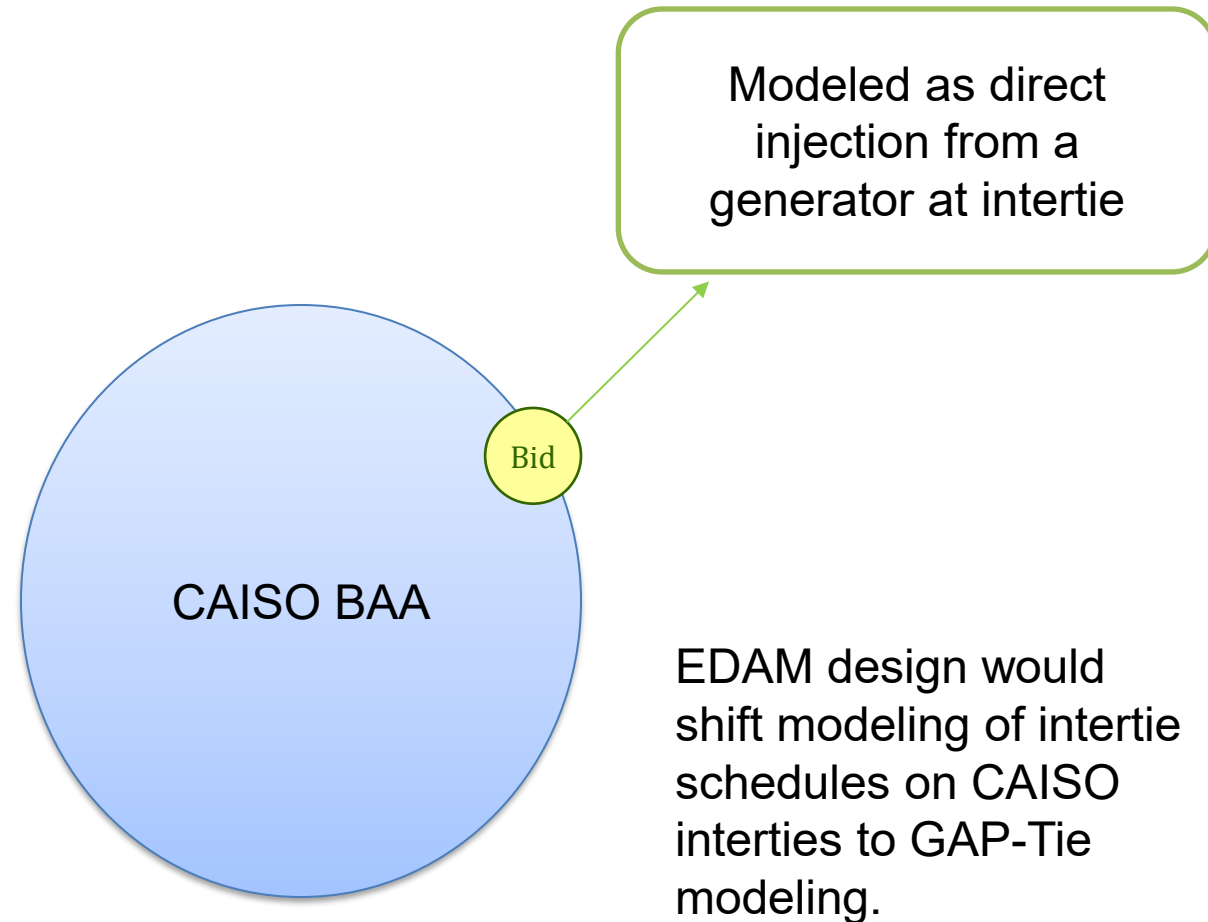
The **GAP** is the aggregation of Supply in a Balancing Authority Area (BAA) outside of the Market Area, with generation distribution factors to constraints within the market area.

The **GAP** associated with a specific intertie represents the cost of energy at the Point of Delivery (POD) or Point of Receipt (POR) at the BAA in the Market Area.

- The MEC reflects the cost of energy at the POR/POD Balancing Area
- The MCC reflects the congestion cost contribution on market area congestion as defined by generation distribution factors. MCC does not include congestion constraint of external market areas.

# Schedule Point Tie (SP-Tie) modeling on CAISO interties today

- Intertie schedules at CAISO interties today are modeled as SP-Ties (not GAP-Ties).
- An SP-Tie models an intertie schedule as an injection of energy directly at the intertie location (as if a physical generator is located at the intertie).
- This modeling may result in inaccurate market congestion management.



## Stakeholder feedback on GAP-Tie modeling

- The expansion of GAP-Tie modeling of inertia schedules (in effect in WEIM today) across all EDAM inertias, including CAISO inertias, has elicited a number of concerns including:
  - The modeling changes can significantly impact existing commercial arrangements particularly at CAISO inertia (which supports robust inertia bidding), and lack of historical GAP-Tie pricing data at CAISO inertias
  - Complications of modeling GAP-Ties and alignment with allocation of congestion revenue rights (CRR) at inertias for the 2026 auction
  - Implementation timeframe of May 2026 is not conducive to timely adjusting practices and commercial arrangements
  - Lack of sufficient vetting of GAP-Tie modeling

## Responding to stakeholder concern within the approved policy

In response to stakeholder feedback, the ISO will establish a transitional period and will modify the implementation design to allow for a more orderly transition to GAP-Tie modeling of intertie schedules at a future time.

### **1. Retaining SP-Tie modeling on the CAISO interties with non-EDAM areas.**

- Supports continued practice of bidding and settlement at CAISO interties with non-EDAM balancing areas as today
- Interties between CAISO and EDAM balancing areas (internal interties) become transfer locations supporting optimized energy transfers with no direct bidding at those locations

## Responding to stakeholder concern within the approved policy

### **2. Continued support of Congestion Revenue Rights (CRR) at all CAISO interties including the interties with EDAM entities.**

- Both intertie schedules and CRRs will follow the SP-Tie modelling at all intertie locations, ensuring these are both settled at the same LMP as today
- No impacts on the 2026 annual and monthly CRR allocations and auctions

### **3. Continued support of existing modeling and pricing at CAISO interties in the Hour Ahead Scheduling Process (HASP).**

- Continued bidding into HASP as today
- Auto-mirroring functionality with EDAM balancing areas will not be implemented at this stage

# Implementation Plan: Intertie scheduling on CAISO interties

	Day-Ahead Market	Real-Time Market
<b>CAISO to non-market BAA (non-EDAM)</b>	<p>Retain intertie participation at SP-Tie</p> <p>Settle at the IFM SP-Tie LMP</p>	<p>Retain intertie participation at SP-Tie</p> <p>Awarded in HASP at SP-Tie</p> <p>Settle at the FMM SP-Tie LMP</p>
<b>CAISO to WEIM BAA (non-EDAM)</b>	<p>Retain intertie participation at SP-Tie</p> <p>Settle at the IFM SP-Tie LMP</p>	<p>Retain intertie participation at SP-Tie</p> <p>Awarded in HASP at SP-Tie</p> <p>Settle at the FMM SP-Tie LMP</p>
<b>CAISO to EDAM BAA</b>	<p>Transfer location: no direct bidding at the interties</p> <p><i>*Exception:</i> RA imports shown at intertie but not sourcing in an EDAM area</p>	<p>Transfer location: no direct bidding at the interties</p> <p><i>*Exception:</i> RA imports shown at intertie but not sourcing in an EDAM area</p>

# Implementation Plan: Intertie scheduling on EDAM (non-CAISO) interties

	Day-Ahead Market	Real-Time Market
<b>EDAM BAA to non-market BAA (non-EDAM)</b>	Intertie participation at GAP-Tie Settle at the IFM GAP-Tie LMP	Intertie participation at GAP-Tie Awarded in HASP at GAP-Tie Settle at the FMM GAP-Tie LMP
<b>EDAM BAA to WEIM BAA (non-EDAM)</b>	Intertie participation at GAP-Tie Settle at the IFM GAP-Tie LMP	Intertie participation at GAP-Tie Awarded in HASP at GAP-Tie Settle at the FMM GAP-Tie LMP No base transfers
<b>EDAM BAA to EDAM BAA</b>	Transfer location: no direct bidding at that interties Day-ahead optimized transfers	Transfer location: no direct bidding at the interties FMM/RTD optimized transfers

Questions or comments?



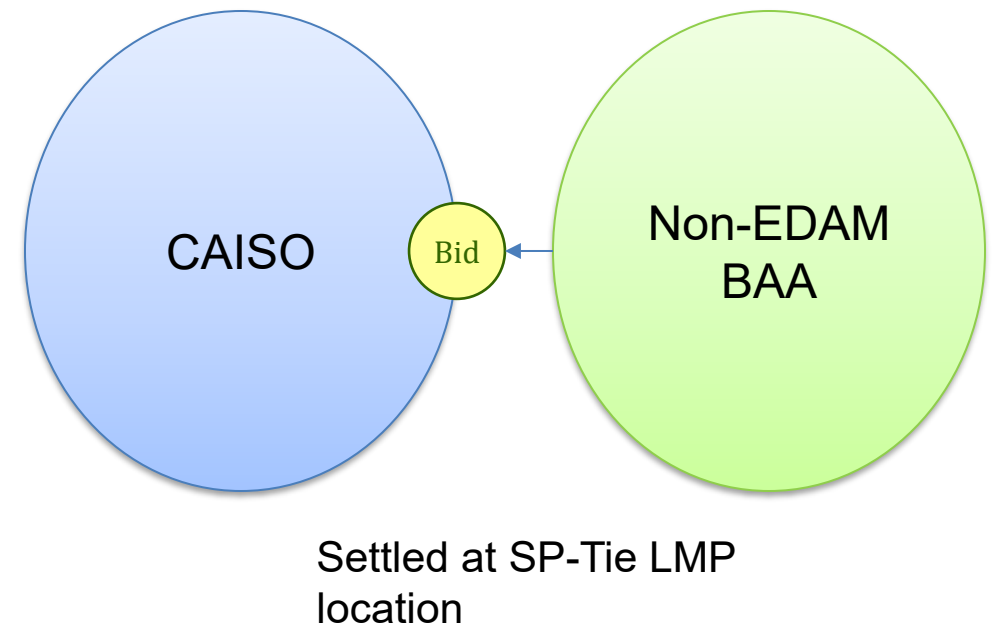
# RESOURCE ADEQUACY IMPORTS INTO THE CAISO BALANCING AREA

## Resource Adequacy (RA) Imports at CAISO Interties

- RA imports into the CAISO will continue to be shown in the annual and monthly timeframes at interties with EDAM and non-EDAM balancing areas.
  - No changes from today
- Maximum import capability (MIC) will continue to be reserved to support RA imports into the CAISO area at interties with EDAM and non-EDAM areas.
  - No changes from today
- Bidding location into the Day-Ahead and Real-Time Markets to meet must offer obligation varies based on the intertie at which the RA import has been shown.
  - No change at CAISO and non-EDAM interties
  - Limited change at CAISO and EDAM interties (transfer locations)

## RA Imports at CAISO interties with non-EDAM balancing areas

- RA imports will continue to be shown at these interties in the annual and monthly timeframes with supporting MIC at those intertie locations.
- Day-ahead and Real-Time bids will continue to be submitted directly at those intertie locations to meet must offer obligations, as today.
  - SP-Tie modeling of intertie schedules, as today



## RA imports at CAISO interties with EDAM balancing areas (transfer locations)

- RA imports continue to be shown at these CAISO interties in the annual and monthly timeframes with supporting MIC at those intertie locations.
- If the source of the generation is in an EDAM balancing area (i.e. PACE, PACW), ahead of the day-ahead market (by 9am) the Scheduling Coordinator who has the RA obligation will re-assign the RA obligation to the specific physical resource.
  - The resource scheduling coordinator will bid the resource into the market at its physical location in the EDAM area
  - The re-assigned resource scheduling coordinator will then bid the generation into the market to avoid exposure to availability penalties (RAAIM)
- **\*Transitional measure**: if the source of the generation is outside of the EDAM footprint or unknown, bidding at the intertie/transfer location will be permitted.
  - Seeks to avoid disruption for commercial arrangements for 2026 RA imports
  - Applies to *Craigview (CRAG)* and *Mona (MDWP)* interties with PacifiCorp

## Transitional design and continued stakeholder engagement

- The ISO will make available on OASIS GAP-Tie pricing across the CAISO interties as informational, non-settlement, data.
- In Q1 2026, the ISO will start hosting stakeholder workshops to provide further education on GAP-Tie modeling, discuss price formation at GAP-Ties, CRR modeling, and other aspects in evaluating a transition in modeling of schedules on CAISO interties.
- These discussions will help inform evolution of commercial arrangements along with any policy or implementation issues that may arise from the discussions.

Questions or comments?



## Next Steps

- Informational briefing to the Board of Governors and WEM Governing Body on December 17<sup>th</sup> .
- The ISO will publish updated draft tariff language reflecting the intertie schedule modeling implementation design supporting EDAM launch.
  - Stakeholder meeting to be scheduled for early January 2026
- The ISO intends to file these, and other tariff cleanup and clarifications, of the EDAM tariff in Q1 2026.
- The ISO will launch stakeholder workshops on intertie schedule modeling in Q1 2026 to start the process of evaluating the transition to full GAP-Tie modeling of intertie schedules.
- Market participants have the ability to test the functionality and modeling of intertie schedules within the currently ongoing EDAM market simulation process.

# This Week at the ISO – 12/15/25

## **Stakeholder Meetings**

*All public stakeholder meetings are also listed on the [CAISO Calendar](#)*

- Monday, December 15th - Department of Market Monitoring Extended Day-Ahead Market Metrics Public Call
  - 11:00am – 12:00pm PT ([link](#))
- Monday, December 15th - Intertie Scheduling Extended Day-Ahead Market (EDAM) Implementation Workshop
  - 1:00pm – 3:00pm PT ([link](#))
- Tuesday, December 16th - Technical User Group
  - 10:00am – 11:00am PT (developer account required)
- Tuesday, December 18th - WEM Governing Body General Session
  - 1:00pm – 4:00pm PT ([link](#))
- Wednesday, December 17th – Settlement User Group
  - 10:00am – 11:00am PT ([link](#))
- Wednesday, December 17th - Joint ISO Board of Governors and WEM Governing Body General Session
  - 1:00pm – 3:00pm PT ([link](#))
- Thursday, December 18th - ISO Board of Governors General Session
  - 10:00am – 11:15am PT ([link](#))
- Thursday, December 18th - Day-Ahead Market Enhancements (DAME) Configurable Parameters Implementation
  - 1:00pm – 4:00pm PT ([link](#))

## **Comment Submission Deadlines**

- Demand and Distributed Energy Market Integration Discussion Paper

## **Trainings**

- Thursday, December 18th – Settlements Training - DAME, EDAM & EDAM CAISO Balancing Authority Participation Rules Continuation
  - 9:00am – 10:30am PT ([link](#))

# This Week at the ISO continued

## **Market Simulations**

- Please refer to our [Release Schedule](#) for the most recent updates of initiatives scheduled for MAP- and Production- stage market sims
- Monday, December 15th – DAME, EDAM, and EDAM CAISO Balancing Authority PR Market Simulation Meeting
  - 9:00am - 10:00am PT

*This weekly meeting series is being offered by the ISO to support questions and issues that may arise during Market Participant Connectivity Testing, and Integration Testing ahead of Market Simulation. Additional daily meetings shall be offered for the purposes of Day-Ahead Market Enhancements (DAME) and Extended Day-Ahead Market (EDAM) Implementation Market Simulation.*

To participate in the DAME and EDAM Implementation pre-Market Simulation meeting series, please follow these steps:

### **Submit a CIDI Request:**

- Log in to the CAISO Customer Inquiry, Dispute, and Information (CIDI) system.
- Create a new request with the 'Functional Environment' set to "Market Simulation."
- In the request, specify your intent to participate in the DAME & EDAM Market Simulation.
- Include the following information:
  - Market Simulation initiative(s) you will participate in.
  - Any specific resources or systems you plan to test.
  - Contact names and email addresses for coordination.

### **Email Option:**

- If you do not have access to CIDI, you may send an email to [marketsim@caiso.com](mailto:marketsim@caiso.com) with the subject line "DAME & EDAM Market Simulation Registration."

## **Business Practice Manual (BPM) Updates**

- The status of all PRRs and updated BPMs in the [BPM Library](#) are published on the [BPM Change Management Website](#).
- Tuesday, December 16th - [BPM Change Management Proposed Revision Request Review](#)
  - 11:00am – 12:00pm PT ([link](#))



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