



California ISO

# Draft Extended Day-Ahead Market Tariff Overview

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# Reminders

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**Note:** #2 only works if you dialed into the meeting.

- Please remember to state your name and affiliation before making your comment.
- You may also send your question via chat to either Isabella Nicosia or to all panelists.

# Agenda

Time	Topic	Presenter
1:00 – 1:10	Welcome and introductions	Isabella Nicosia
1:10 – 3:50	Draft tariff language walk-through	John Anders
3:50 – 4:00	Next steps	Isabella Nicosia

# DRAFT TARIFF LANGUAGE WALK-THROUGH

# Acronyms

Acronym	Term	Acronym	Term
ATC	Available Transfer Capacity	LMP	Locational Marginal Price
BAA	Balancing Authority Area	MPM	Market Power Mitigation
EDAM	Extended Day-ahead Market	OATT	Open Access Transmission Tariff
ETCs	Existing transmission Rights	RSE	Resource Sufficiency Evaluation
GHG	Greenhouse Gas	RUC	Residual Unit Commitment
GMC	Grid Management Charge	TORs	Transmission Ownership Rights
IBAA	Integrated Balancing Authority Area	WEIM	Western Energy Imbalance Market
IFM	Integrated Forward Market		

## Several documents comprise the draft tariff for the Extended Day-Ahead Market

- Section 33 – New (details the EDAM proposal)
- Appendix A – Amended (definitions supporting EDAM)
- Section 29 – Amended (alignment with WEIM)
- Section 11 – Amended (includes EDAM settlement)
- Section 27 – Amended (reflects Appendix C changes)
- Appendix C – Amended (updates LMP components)
- Appendix F – Amended (modifies the GMC for EDAM)
- Appendix B – New (six *pro forma* agreements)

Nearly all of the provisions associated with EDAM can be found in Section 33 (follows WEIM tariff framework)

- **Section 33.1** – establishes what provisions of the ISO tariff “apply to” EDAM market participants
  - includes suspension option for first 60 days
- **Section 33.2** – requires execution of an implementation agreement and establishes readiness criteria and reporting
- **Section 33.4** – requires execution of participation agreements (addenda) and defines the roles and responsibilities of EDAM market participants
  - *new* EDAM load serving entity concept
- **Section 33.6** – communication requirements



## Section 33 continued . . .

- **Section 33.7** – market operations under normal and emergency conditions, including market disruption
  - establishes EDAM transfer priority equal to demand
- **Section 33.9** – provides for outage reporting
- **Section 33.10** – establishes metering requirements
- **Section 33.11** – provides for EDAM settlement
  - transfer and congestion revenue allocation
  - RSE failure surcharge accounting
  - market settlement, including offsets
  - implementation and administrative charges

## Section 33 continued . . .

- **Sections 33.16, 33.17 and 33.18** – set forth the procedures for making transmission available
  - legacy contracts align with ETCs (33.16)
  - ownership rights align with TORs (33.17)
  - OATT transmission at external interties (33.18.1)
    - qualification, registration and scheduling
  - OATT transmission at internal interties (33.18.2)
    - buckets and pathways
  - ISO transmission availability (33.18.3)
    - ATC, wheeling and exports

## Section 33 continued . . .

- **Section 33.23** – requirement for transmission service
- **Section 33.26** – transmission revenue recovery
  - access charge, recoverable revenue and allocation
- **Section 33.27** – transitional measures, price formation, resource aggregation, and IBAA exception
- **Section 33.30** – bidding and scheduling rules
  - demand bids
  - convergence bidding
  - external intertie resources
  - day-ahead schedules

## Section 33 continued . . .

- **Section 33.31** – extended day-ahead market operation
  - resource sufficiency evaluation timing, components, performance (pass/fail), and surcharge calculation
  - operation of MPM/IFM/RUC
  - net export transfer constraint formulation
  - demand forecast and demand response
- **Section 33.32** – greenhouse gas accounting
  - bid adders, market clearing, enforcement of constraints, and data availability
- **Section 33.35** – price correction window extension

## Appendix A includes new defined terms that support EDAM and amends existing terms to include EDAM

- Specific new terms for “EDAM”
- Some general new terms apply to EDAM and WEIM
- Changes to “EIM” provisions to align with EDAM
- Amended terms apply to EDAM and WEIM

## Section 29 includes some general provisions to align with EDAM and some specific changes to the WEIM

- Defers to Section 33 for day-ahead market participation
  - describes differences in the real-time market
- **Sections 29.1, 29.11, 29.29, 29.31, and 29.34** align participation in the WEIM and the EDAM
- **Section 29.32** accounts for the GHG changes proposed as part of the EDAM
- **Section 29.34** accounts for the RSE changes proposed as part of the EDAM
  - accounts for diversity benefits of pooling
  - adjusts for assistance energy transfers

## Section 11 includes settlement provisions that allocate costs among BAAs in the EDAM area

- **Section 11.5.4** – separates transfer revenue and congestion revenue settlement
- **Section 11.8** – accounts for GHG bid costs and recovery
- Continued consideration of whether settlement provisions in Section 33.11 fully reflected in Section 11
  - Consistent with WEIM principle that settlement provisions that allocate costs among BAAs should be reflected in Section 11

## Section 27 reflects changes to Appendix C

- Transfer system resources are employed to account for price differences between BAAs
- Marginal energy cost component reflects the change from a system wide to BAA marginal energy component
- Marginal congestion cost component reflects separation from transfer revenues in a simplified formulation
- Marginal losses component reflects the change from a system wide to BAA marginal energy cost component
- Greenhouse gas cost component reflects the change to the GHG design for the EDAM
- Generation aggregation reflects the treatment of scheduling points outside of the market area



Appendix F reflects the EDAM system operations charge, while Appendix B accounts for participation

- EDAM Implementation Agreement
- EDAM Load Serving Entity Agreement
- EDAM Addenda
  - EIM Entity Agreement
  - EIM Entity Scheduling Coordinator Agreement
  - EIM Participating Resource Agreement
  - EIM Participating Resource Scheduling Coordinator Agreement
- Scheduling coordinator representation required for transmission service schedules at EDAM interties

# NEXT STEPS

# Next steps

## Upcoming milestones:

- April 28, 2023: Comments due on draft tariff language
- May 15, 2023\*: Stakeholder workshop (virtual)
- May 19, 2023\*: Stakeholder workshop (virtual)
- May 22, 2023\*: Stakeholder workshop (virtual)
- Early June 2023\*: Revised draft tariff language posted
- End of June 2023\*: Tariff filing

*\*Dates are tentative until confirmed through a notice in the ISO's Daily Briefing.*

# Comments

- Comments are due by end of day **April 28, 2023**. Please submit your comments using the comment template available on the initiative webpage:  
<https://stakeholdercenter.caiso.com/StakeholderInitiatives/Extended-day-ahead-market>