

*Six Cities' Comments – 4/28/23*  
*Extended Day-Ahead Market - Draft Tariff Language*

**Section 33 – Extended Day-Ahead Market**

*This section is new, but for the convenience of review, the entire document appears in black text.*

*ISO Public*  
*Posted March 30, 2023*

### **33. Extended Day-Ahead Market**

Pursuant to Section 33, the CAISO will expand operation and Settlement of the Day-Ahead Market in an EIM Entity Balancing Authority Area for which the Balancing Authority executes an EDAM Addendum to EIM Entity Agreement with the CAISO.

#### **33.1 General Provisions**

Section 1 will apply to EDAM Market Participants in addition to the provisions in this Section 33.1, unless limited in their application by this Section 33.1.

Participation in, operation of, and Settlement of the Extended Day-Ahead Market will be subject to the provisions of Section 33, and to all other provisions of the CAISO Tariff to the extent those provisions are, ~~by their terms,~~ applicable to the Extended Day-Ahead Market. The provisions of Section 33 will apply only to the Extended Day-Ahead Market.

EDAM Market Participants will comply with the provisions of Section 33, and other applicable provisions of the CAISO Tariff to the extent such provisions (a) expressly refer to Section 33 or EDAM Market Participants, (b) are cross-referenced in Section 33, or (c) are not limited in applicability to the CAISO Controlled Grid, the CAISO Balancing Authority Area, or CAISO Markets other than the Day-Ahead Market or Real-Time Market.

If there is an inconsistency between a provision in Section 33 and another provision of the CAISO Tariff regarding the rights or obligations of EDAM Market Participants, except in their capacity as EIM Market Participants under Section 29, the provisions in Section 33 will prevail to the extent of the inconsistency.

If there is an inconsistency between a provision in Section 33 and a provision in Section 29, the provisions of Section 33 will prevail with respect to participation in the Day-Ahead Market and the provisions of Section 29 will prevail with respect to participation in the Real-Time Market, provided that the provisions of both Sections 33 and 29 will be given equal consideration such that the provisions applicable as an EDAM Market Participant and EIM Market Participant may be reconciled where provisions apply to participation in both the Day-Ahead Market and the Real-Time Market.

##### **33.1.1 Suspension of EDAM Entity Participation**

The CAISO may, within 60 days following an EDAM Entity Implementation Date for an EDAM Entity, and pursuant to the terms of a Market Notice, temporarily suspend the participation of that

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EDAM Entity in the Day-Ahead Market for a period not to exceed 60 days if market or system operational issues adversely impact any portion of the EDAM Area, provided that the CAISO may continue operation of the Day-Ahead Market without the participation of the EDAM Entity for a reasonable additional period of time in order to implement a resolution of the market or system operational issues.

If the CAISO is not able to identify a resolution of the EDAM-related market or system operational issues within 60 days after issuance of the Market Notice of temporary suspension of EDAM participation by an EDAM Entity, the CAISO may, upon issuance of a subsequent Market Notice, terminate participation by the EDAM Entity in the Day-Ahead Market and may extend the suspension of EDAM participation by the EDAM Entity for a time sufficient to process the termination of the EDAM Addendum to EIM Entity Agreement. The CAISO may reinstate EDAM operations after a temporary suspension of EDAM participation by an EDAM Entity by issuing a Market Notice announcing the intended reinstatement no less than 5 days in advance of the reinstatement date.

**33.1.1.1 EDAM Entity Action.**

In the event the CAISO issues a Market Notice of the temporary suspension of EDAM participation by an EDAM Entity, the EDAM Entity will continue to submit EDAM Bids, forecast information, and the associated Meter Data to enable continued operation of the Day-Ahead Market until the CAISO issues a subsequent Market Notice either that (i) the cause of the temporary suspension has been resolved and the EDAM Entity has been reinstated, in which case EDAM participation by the EDAM Entity will return to normal, or (ii) EDAM participation by the EDAM Entity has been terminated.

In the event the CAISO issues a Market Notice of the temporary suspension of EDAM participation by an EDAM Entity, the EDAM Entity will also continue participation as an EIM Entity unless otherwise directed in accordance with Section 29.1(d), specifically to submit EIM Base Schedules and the associated Meter Data to enable continued operation of the Real-Time Market until the CAISO issues a subsequent Market Notice either that (i) the cause of the temporary suspension has been resolved and the EDAM

**Commented [A2]:** The CAISO should have the ability to suspend participation of the CAISO BAA in the EDAM. Suggest including counterpart language to that effect here.

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Entity has been reinstated, in which case EDAM participation by the EDAM Entity will return to normal; or (ii) EDAM participation by the EDAM Entity has been terminated, in which case the EDAM Entity will continue participation in the EIM as an EIM Entity.

**33.1.2.1 CAISO Action.**

In the event the CAISO issues a Market Notice of the temporary suspension of EDAM participation by an EDAM Entity, the CAISO will (i) prevent EDAM Transfers and separate the EDAM Entity Balancing Authority Area from operation of the Day-Ahead Market in the EDAM Area in accordance with the provisions of the Business Practice Manual for the Extended Day-Ahead Market, (ii) suspend Settlement of Day-Ahead Market charges with respect to the EDAM Entity in accordance with the provisions of the Business Practice Manual for the Extended Day-Ahead Market, and (iii) issue a subsequent Market Notice either that the cause of the temporary suspension has been resolved and the EDAM Entity has been reinstated, in which case EDAM participation by the EDAM Entity will return to normal, or EDAM participation by the EDAM Entity has been terminated.

**33.2 Access To EDAM**

Section 2 will not apply to EDAM Market Participants; rather, the specific provisions of this Section 33.2 will apply to EDAM Market Participants.

The CAISO will provide open and non-discriminatory access to the Day-Ahead Market, including the Extended Day-Ahead Market for Balancing Authorities that also participate in the Energy Imbalance Market in accordance with the CAISO Tariff. EIM Entities who do not become EDAM Entities will have no obligation to participate in the Extended Day-Ahead Market and may continue to participate solely in the Energy Imbalance Market.

**33.2.1 EDAM Entity Implementation Agreement.**

A Balancing Authority that ~~wishes-seeks~~ to become an EDAM Entity must first execute an EDAM Entity Implementation Agreement with the CAISO that establishes the EDAM Entity Implementation Date, an obligation to sign an EDAM Addendum to EIM Entity Agreement, the onboarding fee for its implementation, and the scope of work required for its participation in the

EDAM. A prospective EDAM Entity that has not yet executed an EDAM Addendum to EIM Entity Agreement may terminate its EDAM Entity Implementation Agreement at any time and for any reason in accordance with the terms of the EDAM Entity Implementation Agreement.

### **33.2.2 Implementation Date.**

The CAISO will in its discretion determine the EDAM Entity Implementation Date based on the complexity and compatibility of the Balancing Authority's transmission and technology systems with the CAISO systems and the planned timing of the CAISO's implementation of software enhancements. The EDAM Entity Implementation Date must be not less than six months and not more than twenty-four months after the date that the EDAM Entity Implementation Agreement between the CAISO and the Balancing Authority becomes effective in accordance with its terms. Once established, the EDAM Entity may request a change in the EDAM Entity Implementation Date to account for any circumstances that may ~~affect~~~~impact~~~~affecting~~ the ~~implementation~~~~implantation~~ timeline.

### **33.2.3 Market Simulation and Parallel Operations.**

The CAISO and the prospective EDAM Entity will engage in (a) market simulation that accounts for the prospective EDAM Entity's implementation circumstances and (b) at least 30 days of parallel operations representing the Extended Day-Ahead Market to support the CAISO and the prospective EDAM Entity's implementation.

### **33.2.4 Reporting.**

The CAISO will report on the CAISO Website periodically, but not less than once during market simulation, on progress towards completing the implementation activities and once again during parallel operations confirming completion of the implementation activities.

### **33.2.5 Implementation Activities.**

The CAISO and the prospective EDAM Entity will engage in the following implementation activities:

- (A) **Execution of Necessary Agreements.** The prospective EDAM Entity has complied with Section 33.2.1 and executed any necessary agreements for operating as an EDAM Entity.

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- (B) **Operations Training.** Prior to the start of parallel operations as set forth in Section 33.2.3, all operations staff identified by the prospective EDAM Entity customers who will have responsibility for EDAM operations, market transactions and settlements, will have completed identified CAISO training modules.
- (C) **Forecasting Capability.** The CAISO and, to the extent the prospective EDAM Entity will use its own forecasts or is otherwise required to provide forecasting information to the CAISO, the prospective EDAM Entity ~~have~~has reasonably demonstrated their respective forecasting capability through –
- (i) the definition of day-ahead demand forecast boundaries based on the conforming and non-conforming load characteristics, as applicable;
  - (ii) the documentation of EDAM Entity's choice of day-ahead demand forecast provider and how the demand forecast will be completed,
  - (iii) the accuracy of the CAISO forecast of demand based on historical actual load data for the defined demand forecast boundaries;
  - (iv) the identification of weather stations locations used in forecasting, as applicable;
  - (v) the identification of the source of day-ahead Variable Energy Resource forecasts;
  - (vi) the accuracy of the day-ahead ~~renewable~~ forecast of Variable Energy Resources,
  - (vii) the identification of all Hybrid Resources, and
  - (viii) the provision of CAISO historical data on day-ahead demand and renewable forecast information to fill the needed historical data period to produce the imbalance reserve requirements at the net load level.
- (D) **Resource Sufficiency Evaluation.** The prospective EDAM Entity Scheduling Coordinator demonstrates its ability to pass the Resource Sufficiency Evaluation for the prospective EDAM Entity's Balancing Authority Area.
- (E) **Transmission Availability.** The prospective EDAM Entity confirms registration

of the transmission rights of the EDAM Transmission Service Providers in its Balancing Authority Area available for EDAM Transfers or that otherwise are required to be scheduled in the Day-Ahead Market.

- (F) **Historical Transmission Revenue Recovery.** The EDAM Entity provides the information necessary to account for the EDAM recoverable revenue associated with the EDAM Transmission Service Providers in its Balancing Authority Area and has provided an attestation and/or other documentation of this information's accuracy.
- (G) **Operating Procedures.** Prior to the start of parallel operations pursuant to Section 33.2.3, the CAISO and the prospective EDAM Entity have defined, completed, and tested operating procedures for the prospective EDAM Entity and its Scheduling Coordinator's participation in the Energy Imbalance Market.
- (H) **System Readiness and Integration.**
- (i) **System and Functional Testing.** The prospective EDAM Entity and the CAISO have tested the functional and system elements in accordance with functional and system testing documentation posted on the CAISO Website.
  - (ii) **Prospective EDAM Entity Identification.** The CAISO has established and the prospective EDAM Entity has tested all necessary SCIDs and Resource IDs established for the prospective EDAM Entity's Balancing Authority Area.
  - (ii) **Certificates and Access.** The prospective EDAM Entity has issued all necessary certificates to its employees that require system access to perform EDAM-related job functions.
- (I) **Market Simulation and Structured Scenarios simulation.** The prospective EDAM Entity operations staff identified by the prospective EDAM Entity who will have responsibility for EDAM operations, transactions and settlements, have executed and passed all structured scenarios provided by CAISO with all

significant issues resolved.

- (J) **Settlements.** The CAISO and the prospective EDAM Entity have demonstrated that –
- (i) CAISO settlement statements and invoices match the operational data published to stakeholders or fed into settlement systems and the resulting calculations correspond to the formulas defined in CAISO's tariff and Business Practice Manuals.
  - (ii) CAISO settlement statements and invoices allocates charges and credits to its customers accurately reflecting system and market data during parallel operations.
- (K) **Parallel Operations Plan.** The period of parallel operations specified in Section 33.2.3 runs consistently and in accordance with the prospective EDAM Entity specific parallel operations plan.

### **33.2.6 Readiness.**

No later than 10 days prior to the prospective EDAM Entity Implementation Date as established in the EDAM Entity Implementation Agreement, the CAISO will determine, in consultation with the prospective EDAM Entity, whether the systems and processes of the prospective EDAM Entity will be ready for the prospective EDAM Entity's participation in the Extended Day-Ahead Market.

### **33.2.7 Delay.**

If, subsequent to readiness determination, the CAISO or the prospective EDAM Entity determines that either cannot proceed with implementation on the EDAM Entity Implementation Date, the CAISO and the prospective EDAM Entity will establish a new EDAM Entity Implementation Date as soon as it can be determined and reflect that date in an updated version of the EDAM Entity Implementation Agreement.

### **33.3 [Not Used]**

*[The provisions applicable to transmission facilities owned by a Local Furnishing PTO or other Tax-Exempt PTO in CAISO Tariff Section 3 do not apply to the EDAM.]*

### **33.4 Roles And Responsibilities**

Section 4 will apply to EDAM Market Participants to the extent their roles and responsibilities are included the Extended Day-Ahead Market, in addition to the provisions in this Section 33.4.

(a) Nothing in Section 33 will alter the CAISO's responsibilities under the other sections of the CAISO Tariff, under any agreement not required by Section 33, or under NERC Reliability Standards, any other NERC requirements or criteria, or any other Applicable Reliability Criteria as the Balancing Authority for the CAISO Balancing Authority Area and the transmission operator and transmission service provider for the CAISO Controlled Grid. During any interruption of the normal operation of the Day-Ahead Market, the CAISO as Balancing Authority will remain responsible for managing the resources in its Balancing Authority Area and the flows on transmission lines internal to the CAISO Balancing Authority Area, including imports and exports, for the duration of the interruption.

(b) Nothing in Section 33 will alter an EDAM Entity's responsibilities under NERC Reliability Standards and any other NERC requirements or criteria as the Balancing Authority for the EDAM Entity Balancing Authority Area and, to the extent applicable, as the transmission operator or transmission service provider for transmission facilities within its Balancing Authority Area. During any interruption of the normal operation of the Day-Ahead Market, the EDAM Entity as Balancing Authority will remain responsible in accordance with Section 33.7 for managing the resources in its Balancing Authority Area and the flows on internal transmission lines, including imports into and exports out of its Balancing Authority Area, for the duration of the interruption.

#### **33.4.1 EDAM Entity**

An EDAM Entity must be a Balancing Authority registered and certified as such under the applicable authorities and execute an EDAM Addendum to EIM Entity Agreement no later than ninety (90) days before the EDAM Entity Implementation Date. An EDAM Entity that wishes to terminate participation in the Day-Ahead Market must terminate the EDAM Addendum to EIM Entity Agreement pursuant to its terms. Upon receipt of such notice, the CAISO will undertake all necessary preparations to disable operation of the Day-Ahead Market within the EDAM Entity Balancing Authority Area, as outlined in the Business Practice Manual for the Extended Day-

**Commented [A3]:** Who has authority over flows at intertie points between EDAM Area BAAs under non-normal operations?

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Ahead Market, including issuance of a Market Notice within five Business Days after receipt of such notice.

An EDAM Entity will:

- (a) perform the obligations of an EDAM Entity in accordance with the EDAM Addendum to EIM Entity Agreement, Section 33, and other provisions of the CAISO Tariff that ~~by their terms~~ apply to EDAM Entities, subject to the limitations specified in Section 33.1;
- (b) ensure that each EDAM Transmission Service Provider in its Balancing Authority Area has provisions in effect in the EDAM Transmission Service Provider's tariff, as necessary or applicable, to enable operation of the Day-Ahead Market in its Balancing Authority Area, including an obligation for customers of the EDAM Transmission Service Provider to have a Scheduling Coordinator for purposes of interfacing with the CAISO;
- (c) qualify as, or secure representation by, an EDAM Entity Scheduling Coordinator, provided that an EDAM Entity may not be represented by more than one EDAM Entity Scheduling Coordinator;
- (d) review and validate information about available transmission capacity submitted to it by an EDAM Transmission Service Provider and transmit such validated information to its EDAM Entity Scheduling Coordinator;
- (e) provide the CAISO and its EDAM Entity Scheduling Coordinator with information regarding the transmission capacity available to the Day-Ahead Market, including any information regarding Transmission Constraints of which it is aware;
- (f) ensure all resources within its Balancing Authority Area that do not participate in the Energy Imbalance Market pursuant to Section 29 are represented in the Extended Day-Ahead Market as EDAM Resources and are subject to an EDAM Addendum to EIM Participating Resource Agreement pursuant to Section 33, which may be accomplished through execution of a separate EDAM Addendum to EIM Participating Resource Agreement or by including all or some of the resources under its EDAM Addendum to EIM Participating Resource Agreement;
- (g) define Load Aggregation Points in its Balancing Authority Area and be responsible for

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serving the associated Demand, including for an EDAM Load Serving Entity in its Balancing Authority Area that will be separately responsible for serving the associated Demand;

(h) determine and inform the CAISO which resource types are eligible to participate in the Day-Ahead Market as resources and which transmission service providers or holders of transmission service rights are EDAM Transmission Service Providers;

(i) serve as the entity that interacts with EDAM Transmission Service Providers within the EDAM Entity Balancing Authority Area and ensure compliance with all requirements of Section 33 applicable to EDAM Transmission Service Providers;

(j) inform the CAISO whether or not the EDAM Entity intends to utilize the CAISO's Demand Forecast consistent with Section 33.31.1; and

(k) ensure transmission customers of the EDAM Transmission Service Provider in its Balancing Authority Area that will submit schedules in the Day-Ahead Market secure representation by a Scheduling Coordinator.

**Commented [A4]:** Does this enable selective exclusion of resources?

#### **33.4.2 EDAM Entity Scheduling Coordinator**

An EDAM Entity Scheduling Coordinator must meet or have met the certification requirements in Section 4.5.1 for a Scheduling Coordinator, and enter into an EDAM Addendum to EIM Entity Scheduling Coordinator Agreement with the CAISO, which will satisfy the obligation to enter into a Scheduling Coordinator Agreement under Section 4.5.1 with regard to its representation of the EDAM Entity.

An EDAM Entity Scheduling Coordinator may represent a Market Participant other than an EDAM Entity if it enters into a Scheduling Coordinator Agreement under Section 4.5.1 with regard to such Market Participant or more than one EDAM Entity if it has certified to the CAISO in the manner described in the Business Practice Manual for the Extended Day-Ahead Market that it has informed each EDAM Entity of the multiple representation. However, an EDAM Entity Scheduling Coordinator may not also be an EDAM Resource Scheduling Coordinator or a Scheduling Coordinator for a Participating Generator, Participating Load, or Demand Resource Provider, unless the EDAM Entity Scheduling Coordinator is a transmission provider subject to

**Commented [A5]:** When will this be developed?

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the standards of conduct set forth in 18 C.F.R. § 358, is a governmental entity that agrees to comply with standards of conduct equivalent to those set forth in 18 C.F.R. § 358, or is a generation-only balancing authority that has implemented procedures equivalent to the protections offered under the standards of conduct that specifically include procedures addressing the no-conduit rule to preclude non-public transmission function information that may be received from being passed to employees that satisfy the definition of a “Marketing Function Employee.”

**33.4.3 EDAM Resource**

The owner or operator of each resource in an EDAM Entity Balancing Authority Area is required to register its resource with the CAISO as an EDAM Resource Facility if it is capable of delivering Energy, Imbalance Reserves, Reliability Capacity, Flexible Ramping Product, Ancillary Services, curtailable Demand, or Demand Response Services (or similar services) within the Day-Ahead Market timeframe.

**33.4.3.1 EDAM Addendum to EIM Participating Resource Agreement.** An EDAM Resource must be listed in an executed EDAM Addendum to EIM Participating Resource Agreement and (a) perform the obligations of an EDAM Resource under the EDAM Addendum to EIM Participating Resource Agreement and Section 33.1; (b) perform the obligations applicable to Market Participants and resources under the provisions of the CAISO Tariff described in Section 33.1; and (c) if it represents a Generating Unit, Load of a Participating Load, Proxy Demand Resource, or other qualified resource, perform the obligations required for the resource under the provisions of the CAISO Tariff described in section 33.1.

**33.4.3.2 EDAM Resource and the Energy Imbalance Market.** An EDAM Resource Facility must also be registered as an EIM Resource pursuant to Section 29.

**33.4.4 EDAM Resource Scheduling Coordinator.**

An EDAM Resource Scheduling Coordinator must meet or have met the certification requirements in Section 4.5.1 for a Scheduling Coordinator; and enter into an EDAM Addendum to EIM Participating Resource Scheduling Coordinator Agreement with the CAISO, which will

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satisfy the obligation to enter into a Scheduling Coordinator Agreement under Section 4.5.1 with regard to its representation of the EDAM Resource.

An EDAM Resource Scheduling Coordinator may represent more than one EDAM Resource or a Market Participant other than an EDAM Resource, but only if it enters into a Scheduling Coordinator Agreement under Section 4.5.1 with regard to such Market Participant. However, an EDAM Resource Scheduling Coordinator may not also be an EDAM Entity Scheduling Coordinator unless the EDAM Resource Scheduling Coordinator is a transmission provider subject to the standards of conduct set forth in 18 C.F.R. § 358, is a governmental entity that agrees to comply with standards of conduct equivalent to those set forth in 18 C.F.R. § 358, or is a generation only balancing authority that has implemented procedures equivalent to the protections offered under the standards of conduct that specifically include procedures addressing the no-conduit rule to preclude non-public transmission function information that may be received from being passed to employees that satisfy the definition of a "Marketing Function Employee."

An EDAM Resource Scheduling Coordinator must (a) perform the obligations of an EDAM Resource Scheduling Coordinator under the EDAM Addendum to EIM Participating Resource Scheduling Coordinator Agreement and Section 33, (b) perform the obligations of a Scheduling Coordinator under the provisions of the CAISO Tariff described in Section 33.1x, (c) ensure that the entity it represents has obtained any transmission service necessary to participate in the Extended Day-Ahead Market under the terms of the CAISO Tariff or the tariff of another transmission service provider, as applicable, and (d) register in the manner set forth in the Business Practice Manual for the Extended Day-Ahead Market all EDAM Resources that it represents, provide such information to the EDAM Entity Scheduling Coordinator, and update such information with the CAISO in a timely manner.

**33.4.5 EDAM Load Serving Entity**

An EDAM Entity is responsible for Load within an EDAM Entity Balancing Authority Area, unless it acknowledges a third-party EDAM Load Serving Entity responsible for Load not represented by the EDAM Entity. An EDAM Load Serving Entity will be responsible for Load in the Day-Ahead

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Market and the Real-Time Market, including the submission of Bids and Settlement of Demand, in accordance with Section 33 and Section 29, and must be represented by an EDAM Load Serving Entity Scheduling Coordinator.

**33.4.6 EDAM Load Serving Entity Scheduling Coordinator**

An EDAM Load Serving Entity Scheduling Coordinator must meet or have met the certification requirements in Section 4.5.1 for a Scheduling Coordinator, and enter into a Scheduling Coordinator Agreement with the CAISO, which will satisfy the obligation to enter into a Scheduling Coordinator Agreement under Section 4.5.1 with regard to its representation of the EDAM Load Serving Entity.

An EDAM Load Serving Entity Scheduling Coordinator may represent more than one EDAM Load Serving Entity or a Market Participant other than an EDAM Load Serving Entity, but only if it enters into a Scheduling Coordinator Agreement under Section 4.5.1 with regard to such Market Participant.

An EDAM Load Serving Entity Scheduling Coordinator must (a) perform the obligations of an EDAM Load Serving Entity Scheduling Coordinator under the applicable Scheduling Coordinator Agreement and Section 33, (b) perform the obligations of a Scheduling Coordinator under the provisions of the CAISO Tariff described in Section 33.1, (c) ensure that the entity it represents has obtained authorization from the EDAM Entity and secured any transmission service necessary to participate in the Extended Day-Ahead Market under the terms of the applicable EDAM Transmission Service Provider tariff, and (d) register in the manner set forth in the Business Practice Manual for the Extended Day-Ahead Market the EDAM Demand that it represents, provide such information to the EDAM Entity Scheduling Coordinator, and update such information with the CAISO in a timely manner.

**33.4.7 Scheduling Coordinator Representation**

An EDAM Entity Scheduling Coordinator or EDAM Resource Scheduling Coordinator must have a one-to-one relationship with an EIM Entity or EIM Participating Resource it represents in the Energy Imbalance Market to ensure that participation in the Day-Ahead Market correlates directly with participation in the Real-Time Market. An EDAM Load Serving Entity Scheduling

**Commented [A6]:** What does "one-to-one" mean in this context? "Direct"? "Binding"?

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Coordinator will be responsible for Settlement of the Demand in the Energy Imbalance Market it represents and, if the Demand it represents is associated with an EIM Sub-Entity, it must have a one-to-one relationship with the EIM Sub-Entity.

**33.5 [Not Used]**

*[The provisions applicable to black start and system restoration in Section 5 do not apply to the EDAM.]*

**33.6 Communications**

Section 6 will apply to EDAM Market Participants and govern communications and information availability regarding EDAM Market Participants in the Day-Ahead Market, except as this Section 33.6 specifically provides.

**33.6.1 Technical Requirements.**

The EDAM Entity will meet the technical and communication requirements specified in the Business Practice Manual for the Extended Day-Ahead Market, which will be based on the Inter-Control Center Communication Protocol and Reliability Standards.

**33.6.2 Communications and OASIS.**

Section 6 will govern communications and information availability regarding the participation of EDAM Market Participants in the Day-Ahead Market except that (a) references to internal resources will be deemed to include EDAM Resource Facilities, (b) references in Sections 6.2.2.1 and 6.5.2.1 to the CAISO Controlled Grid and references in Sections 6.5.4.2.2(a) and 6.5.5.1.1 to the CAISO Balancing Authority Area will be deemed references to the EDAM Area, and (c) the provisions of Section 6.3.1 that authorize the CAISO to communicate directly with Generators and Demand Response Providers to ensure System Reliability will not apply to Generators and Demand Response Providers in the EDAM Entity's Balancing Authority Area or pseudo-tied from an external Balancing Authority Area to the EDAM Entity Balancing Authority Area.

**33.6.3 Loss of Communications.**

The CAISO and each EDAM Entity, EDAM Entity Scheduling Coordinator, and EDAM Load Serving Entity Scheduling Coordinator will establish procedures to address an interruption of Day-Ahead Market communications, which will include steps to be taken to restore communications and address any impact on system or market operations as provided in Section 33. An EDAM

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Entity that loses communication with the CAISO remains responsible for managing its Balancing Authority Area without the Day-Ahead Market, and each EDAM Entity will have communication procedures to address such circumstances.

**33.6.4 Variable Energy Resource Forecast Communications.**

If the EDAM Resource Scheduling Coordinator for a Variable Energy Resource elects to use an independent forecasting service, it must make data transfer arrangements with the CAISO for the CAISO to receive the forecast in a format and on a schedule set forth in the Business Practice Manual for the Extended Day-Ahead Market.

**33.6.5 Hybrid Resource Forecast Communications.** If the EDAM Resource Scheduling Coordinator for a Hybrid Resource elects to use an independent forecasting service, it must make data transfer arrangements with the CAISO for the CAISO to receive the forecast in a format and on a schedule set forth in the Business Practice Manual for the Extended Day-Ahead Market.

**33.7 EDAM Operations Under Normal And Emergency Conditions**

Section 7 of the CAISO Tariff will not apply to EDAM Market Participants; rather, the specific provisions of this Section 33.7 will apply to EDAM Market Participants.

**33.7.1 Normal Operations**

The CAISO will administer the transmission capacity made available to the Day-Ahead Market to support transfers of Energy, Reliability Capacity, and Imbalance Reserves in the EDAM Area under normal operations. The CAISO will not issue Dispatch Instructions to an EDAM Entity Scheduling Coordinator or EDAM Load Serving Entity Scheduling Coordinator for Load in the Day-Ahead Market. The CAISO will not issue Dispatch Instructions to an EDAM Resource if that resource does not have a Bid in the Day-Ahead Market, including Load participating as an EDAM Resource.

**33.7.2 EDAM Transfer Modeling.**

Energy and capacity transfers between Balancing Authority Areas in the EDAM Area are associated with an EDAM Transfer System Resource. Each EDAM Transfer is modeled by a pair of export and import EDAM Transfer System Resources, one for each Balancing Authority Area on each side of the EDAM Internal Intertie with equal Energy schedules and/or capacity awards.

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EDAM Transfers include the exchange of Energy, Imbalance Reserves, and Reliability Capacity at EDAM Internal Interties. The CAISO will model individual constraints for each EDAM Transfer scheduling limit available on an EDAM Internal Intertie based on the transmission capacity made available under Section 33.18, and will enforce the scheduling limit for an EDAM Transfer in the Day-Ahead Market. The CAISO will model changes in the scheduled EDAM Transfers that result from the Day-Ahead Market and will calculate the net scheduled EDAM Transfers for the Balancing Authority Areas in the EDAM Area and derive from these net scheduled EDAM Transfers the schedules on EDAM Internal Interties for E-Tag purposes. The CAISO will communicate the EDAM Transfer limit to the EDAM Entity Scheduling Coordinator with each Balancing Authority Area in the EDAM Area for E-Tag purposes.

**33.7.3 Manual Dispatch.**

The EDAM Entity may issue a manual dispatch to an EDAM Resource in its Balancing Authority Area, outside of the Market Clearing of the Day-Ahead Market, and enforce Transmission Constraints when necessary to address issues in the EDAM Entity Balancing Authority Area that the CAISO is unable to address through normal economic Dispatch and Congestion Management. The EDAM Entity will inform the CAISO of the manual dispatch through submission of a Self-Schedule or EIM Manual Dispatch, and if the EDAM Entity Balancing Authority Area is under manual operation. Upon receiving notice of a manual dispatch, the CAISO will reflect the manual dispatch in the applicable CAISO Market depending upon when the notice is received and only to the extent that reflection of the manual dispatch in the market is practicable.

**33.7.4 EDAM Disruption.**

The CAISO may declare an interruption of EDAM Entity participation in the Day-Ahead Market when, in its judgment, (a) operational circumstances (including a failure of the Day-Ahead Market operation to produce feasible results in the EDAM Area or other CAISO Market Disruption) in the EDAM Area have caused or are in danger of causing an abnormal system condition in the CAISO Balancing Authority Area or an EDAM Entity Balancing Authority Area that requires immediate action, or (b) communications between the CAISO and EDAM Market Participants are disrupted

and prevent an EDAM Entity, EDAM Entity Scheduling Coordinator, EDAM Load Serving Entity Scheduling Coordinator, or EDAM Resource Scheduling Coordinator from accessing CAISO systems to submit or receive information. The CAISO will reinstate normal operation of the Day-Ahead Market in the EDAM Area at such time as it determines that the conditions that caused the interruption of EDAM Entity participation in the Day-Ahead Market have been resolved.

**33.7.4.1 CAISO Response to EDAM Disruption.** If the CAISO declares an interruption of EDAM Entity participation in the Day-Ahead Market, the CAISO may in its judgment, among other things,

(a) separate the affected EDAM Entity Balancing Authority Area from the EDAM Area and maintain the Day-Ahead Market for other Balancing Authority Areas in the EDAM Area by enforcing a net transfer constraint for the affected Balancing Authority Area to separate it from the remainder of the EDAM Area,

(b) reduce or suspend EDAM Transfers between one or more Balancing Authority Areas in the EDAM Area with authorization from the impacted EDAM Entity and communication and coordination with all impacted EDAM Entities to assess and mitigate potential issues within the EDAM Area,

(c) instruct one or more EDAM Entities to maintain system balance within their Balancing Authority Area without Day-Ahead Market results,

(d) in addition or as an alternative, use market results in the Day-Ahead Market in accordance with Section 7.7.9 or take any of the actions specified in Section 7.7.6 with respect to the Day-Ahead Market,

(e) suspend or limit the ability of all Scheduling Coordinators to submit Virtual Bids on behalf of Convergence Bidding Entities at specific Eligible PNodes or Eligible Aggregated PNodes, or at all Eligible PNodes or Eligible Aggregated PNodes, or

(f) postpone the publication of Day-Ahead Market results.

**33.7.4.2 EDAM Entity Responsibility.** In response to an interruption of EDAM Entity participation in the Day-Ahead Market by the CAISO, all EDAM Entities will follow NERC Reliability Standards applicable to their roles as Balancing Authorities in an effort to

**Commented [A7]:** What are the parallel rules for the CAISO area? Where are these stated?

alleviate operational and system conditions and restore routine operations, and all EDAM Entity Scheduling Coordinators will promptly inform the CAISO of actions taken by the EDAM Entities they represent in response to an interruption of EDAM Entity participation in the Day-Ahead Market by the CAISO through updates to their Schedules, Interchange E-Tags, transmission limit adjustments, or Outage and derate information, as applicable. If the interruption of EDAM Entity participation results in the EDAM Entity not receiving a Day-Ahead Market Schedule, then the EDAM Entity must submit all Bids to the RTM. If it is necessary for an EDAM Entity to reduce or suspend EDAM Transfers between one or more Balancing Authority Areas in the EDAM Area, the EDAM Entity must communicate and coordinate with the CAISO and impacted EDAM Entities prior to curtailing EDAM Transfers, and should continue to communicate and coordinate with the CAISO and all EDAM Entities to assess and mitigate potential issues within the EDAM Area.

#### **33.7.5 EDAM Transfer Priority Relative to Demand**

EDAM Transfers will have a priority equal to Demand in the EDAM Area under normal operating conditions. If it is necessary for an EDAM Entity or the CAISO to reduce or suspend EDAM Transfers between one or more Balancing Authority Areas in the EDAM Area based on operational judgement and consistent with Good Utility Practice, the CAISO and the EDAM Entity must communicate and coordinate with impacted EDAM Entities and the CAISO prior to curtailing EDAM Transfers. This communication and coordination should continue among the CAISO and all potentially impacted EDAM Entities to assess and mitigate potential issues within the EDAM Area. The CAISO and the EDAM Entity will undertake any reduction or suspension of EDAM Transfers between one or more Balancing Authority Areas in the EDAM Area in a manner that is not unduly discriminatory or preferential, taking into account any potential or actual involuntary curtailment of Demand within a Balancing Authority Area. The CAISO will adjust the EDAM Transfer limits to reflect in the CAISO Markets the reduction or suspension directed by the EDAM Entity or the CAISO in accordance with the procedures and timelines in the Business Practice Manual for the Extended Day-Ahead Market.

#### **33.8 [Not Used]**

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*[Ancillary services are not procured through the EDAM and the ancillary services provisions of Section 8 do not apply to the EDAM. Each EDAM Entity will remain responsible for procuring and maintaining its own ancillary services to meet its obligations and communicating these quantities to the CAISO.]*

**33.9 Outages and Critical Contingencies**

Section 9 does not apply to EDAM Market Participants except as referenced in this Section 33.9.

**33.9.1 Maintenance Outages**

An EDAM Entity is responsible for performing engineering studies and approving Maintenance Outages within its EDAM Entity Balancing Authority Area on both transmission facilities and EDAM Resources. This includes making any necessary arrangements for this purpose regarding the transmission capacity made available by an EDAM Transmission Service Provider to the Day-Ahead Market. An EDAM Entity Scheduling Coordinator must submit notice of Maintenance Outages approved by that EDAM Entity to the CAISO by the means set forth in the Business Practice Manual for the Extended Day-Ahead Market at least seven Business Days prior to the planned Outage. The CAISO implements Maintenance Outages submitted by that deadline in the Day-Ahead Market process and informs the EDAM Entity of any anticipated transmission overloads expected due to Maintenance Outages reported to the CAISO.

**33.9.2 Forced Outages**

EDAM Entity Scheduling Coordinators and EDAM Resource Scheduling Coordinators must report Forced Outages to the CAISO for Outages of transmission facilities within the EDAM Entity Balancing Authority Area they represent and Generating Units or other resources they represent as EDAM Resources, respectively, in accordance with the provisions of Section 9 regarding Forced Outage reporting, including Sections 9.3.6.4.1(b), 9.3.6.4.1(c), 9.3.6.4.1(d), 9.3.6.4.2(2), 9.3.6.4.2(3), and 9.3.10.

**33.9.3 Transmission Limits**

An EDAM Entity Scheduling Coordinator must notify the CAISO by the means specified in the Business Practice Manual for the Extended Day-Ahead Market regarding transmission limits on the transmission capacity made available to the Day-Ahead Market within the EDAM Entity Balancing Authority Area that need to be enforced in the Day-Ahead Market.

**33.10 EDAM Metering and Telemetry**

Section 10 will apply in the EDAM unless otherwise noted in this Section 33.10. In the event of any conflict, this Section 33.10 will apply.

Scheduling Coordinators must ensure compliance with this Section 33.10. The EDAM Entity Scheduling Coordinator will ensure compliance with this Section 33.10 for each Energy, Load, intertie, or other resource in its Balancing Authority Area unless that resource or Load has its own Scheduling Coordinator. The EDAM Entity will ensure each EDAM Market Participant in an EDAM Entity Balancing Authority Area becomes either a CAISO Metered Entity or a Scheduling Coordinator Metered Entity and complies with the requirements of Section 10.

**33.10.1 Demand Metering**

The EDAM Entity will ensure that any Load Aggregation Point in its Balancing Authority Area not represented by the EDAM Entity Scheduling Coordinator is metered separately so that the associated Demand may be settled.

**33.10.2 EDAM Resource Metering**

All EDAM Resources, including, without limitation, owners and operators of Generating Units, owners and operators of storage resources, Distributed Energy Resource Providers, and Demand Response Providers, must be CAISO Metered Entities or Scheduling Coordinator Metered Entities and comply with Section 10. Scheduling Coordinators for EDAM Resources may elect to submit Meter Data in 5-minute or 15-minute intervals. Scheduling Coordinators for EDAM Resources that cannot meter the EDAM Resource's Energy every 15 minutes or faster may not submit Economic Bids or provide Ancillary Services, and must submit Self-Schedules in the EDAM and Real-Time Market.

**33.10.3 EDAM Interties**

EDAM Interties must be CAISO Metered Entities or Scheduling Coordinator Metered Entities. Each EDAM Entity Scheduling Coordinator for the EDAM Entity at the EDAM Intertie will be responsible for submitting Settlement Quality Meter Data in compliance with Section 10. EDAM Entity Scheduling Coordinators also must ensure the EDAM Intertie provides telemetry consistent with Section 33.10.4.

**Commented [A8]:** Are Interties considered entities? Should this sentence read "Meter data for EDAM Interties must be reported by CAISO Metered Entities or Scheduling Coordinator Metered Entities."

#### **33.10.4 Telemetry**

As described in the Business Practice Manual for the Extended Day-Ahead Market, Scheduling Coordinators for EDAM Interties and EDAM Resource Facilities, including, without limitation, Generating Units, storage resources, Distributed Energy Resources, and Demand Response Resources, must satisfy communications, telemetry, and direct control requirements, including the establishment of a communication link from the control room of the EDAM Resource Facility to the CAISO in a manner that ensures that the CAISO will have the ability, consistent with the CAISO Tariff, to direct the operations of the EDAM Resource Facility as necessary to maintain the reliability of the CAISO Controlled Grid. An EDAM Resource Facility will be exempt from this Section 33.10.4 if it has a rated capacity of less than ten (10) MW, unless it is certified by the CAISO to provide Ancillary Services. For purposes of this calculation, aggregated resources will calculate their aggregated capacity and provide telemetry at the aggregate level.

#### **33.11 Settlements And Billing for EDAM Market Participants**

Section 33.11, rather than Section 11, will apply to CAISO Settlement with EDAM Entity Scheduling Coordinators, EDAM Resource Scheduling Coordinators, EDAM Load Serving Entity Scheduling Coordinators and EDAM Market Participants, except as otherwise provided in this Section 33.11.

##### **33.11.1 Transfer Revenue and Congestion Revenue Allocation**

EDAM Transfer revenue will be collected when one Balancing Authority Area in the EDAM Area provides Energy, Imbalance Reserve, and/or Reliability Capacity to another Balancing Authority Area in the EDAM Area and the associated EDAM Transfer System Resource prices differ. Congestion revenue will be collected when a Transmission Constraint or intertie scheduling limit binds at different locations of the transmission system and the LMP varies across a Balancing Authority Area in the EDAM Area. The CAISO will allocate EDAM Transfer revenue and Congestion revenue attributed to an EDAM Entity Balancing Authority Area or the CAISO Balancing Authority Area as provided below.

##### **33.11.1.1 Transfer Revenue**

The CAISO will calculate and allocate EDAM Transfer revenue for Energy transfers, Imbalance Reserve transfers, and/or Reliability Capacity transfers for a Balancing Authority Area in the

EDAM Area.

**33.11.1.1.1 Energy Transfer Revenue**

EDAM Transfer revenue for Energy occurs when the net EDAM Transfer scheduling limit is reached in the Day-Ahead Market. This manifests as a separation of the Marginal Energy Cost of the binding Balancing Authority Area in the EDAM Area from the Marginal Energy Cost of an adjacent Balancing Authority Area in the EDAM Area that is attributed to an EDAM Transfer System Resource. The CAISO allocates the EDAM Transfer revenue for Energy represented by EDAM Transfer System Resources equally between the Balancing Authority Areas, except in unique instances where an equal sharing of EDAM Transfer revenue does not align with the commercial arrangement for use of the underlying transmission system and a different EDAM Transfer revenue sharing arrangement can be accommodated in accordance with the Business Practice Manual for the Extended Day-Ahead Market. The CAISO will further allocate the EDAM Transfer revenue for Energy directed to a Balancing Authority Area based upon the whether the transmission across an EDAM Internal Intertie is made available by: (a) by an EDAM Entity pursuant to Section 33.18.2, in which case the CAISO will allocate the EDAM Transfer revenue to the EDAM Entity Scheduling Coordinator, (b) an EDAM Transmission Service Provider customer pursuant to Section 33.18.2.2.2, in which case the CAISO will allocate the EDAM Transfer revenue to the Scheduling Coordinator for the EDAM Transmission Service Provider customer, or (c) an EDAM Legacy Contract, Existing Contract, EDAM Transmission Ownership Right, or Transmission Ownership holder, in which case the CAISO will allocate the EDAM Transfer revenue to the Scheduling Coordinator for the EDAM Legacy Contract, Existing Contract EDAM Transmission Ownership Right, or Transmission Ownership holder, respectively. An EDAM Entity will ensure EDAM Transfer revenue for Energy allocated to its EDAM Entity Scheduling Coordinator is further allocated by all applicable EDAM Transmission Service Providers as may be detailed in the EDAM Transmission Service Provider tariff and business practices to adjust costs among its transmission customers and measured

**Commented [A9]:** More specificity would be beneficial here. How will the CAISO validate the existence of "unique instances" where equal sharing doesn't align with commercial arrangements? Would both parties to the commercial arrangement need to confirm this?

demand. EDAM Transfer revenue for Energy allocated to the CAISO Balancing Authority is further allocated according to the CAISO Tariff, unless allocated directly to a Scheduling Coordinator for a Transmission Ownership Rights holder or Existing Contract rights holder consistent with the terms of the agreement concerning use of the transmission facilities supporting the EDAM Transfer.

**33.11.1.1.2 Imbalance Reserve Transfer Revenue**

EDAM Transfer revenue for Imbalance Reserves occurs when the transfer scheduling limit binds while optimizing capacity to meet the Imbalance Reserves Requirement for an EDAM Entity Balancing Authority Area or the CAISO Balancing Authority Area and manifests as price separation between the Shadow Price of the Imbalance Reserves procurement between the two Balancing Authority Areas at an EDAM Transfer location that is attributed to an EDAM Transfer System Resource. The CAISO calculates the hourly EDAM Transfer revenue for Imbalance Reserves as the product of the transfer quantity and the difference between the Locational IRU Price or Locational IRD Price, as appropriate, on either side of the binding limit. The CAISO allocates the EDAM Transfer revenue for Imbalance Reserves equally between the Balancing Authority Areas, except in unique instances where an equal sharing of EDAM Transfer revenue does not align with the commercial arrangement for use of the underlying transmission system and a different EDAM Transfer revenue sharing arrangement can be accommodated in accordance with the Business Practice Manual for the Extended Day-Ahead Market. An EDAM Entity will ensure that EDAM Transfer revenue for Imbalance Reserves allocated to its EDAM Entity Scheduling Coordinator is further allocated by all applicable EDAM Transmission Service Providers as may be detailed in the EDAM Transmission Service Provider tariff and business practices to adjust costs among its transmission customers and measured demand. EDAM Transfer revenue for Imbalance Reserves allocated to the CAISO Balancing Authority is further allocated in the CAISO Balancing Authority Area according to the CAISO Tariff.

**Commented [A10]:** Same comment as above for Section 33.11.1.1.1.

**33.11.1.1.3 Reliability Capacity Transfer Revenue**

EDAM Transfer revenue for Reliability Capacity occurs when the transfer scheduling limit binds while optimizing capacity to meet the RUC Procurement Target for an EDAM Entity Balancing Authority Area or the CAISO Balancing Authority Area and manifests as price separation between the Shadow Price of the Reliability Capacity procurement between the two Balancing Authority Areas at an EDAM Internal Intertie that is attributed to an EDAM Transfer System Resource. The CAISO calculates the hourly EDAM Transfer revenue for Reliability Capacity as the product of the transfer quantity and the difference between the RUC Price for RCU and the RUC Price for RCD, as applicable, on either side of the binding limit. The CAISO allocates the EDAM Transfer revenue for Reliability Capacity equally between the Balancing Authority Areas, except in unique instances where an equal sharing of EDAM Transfer revenue does not align with the commercial arrangement for use of the underlying transmission system and a different EDAM Transfer revenue sharing arrangement can be accommodated in accordance with the Business Practice Manual for the Extended Day-Ahead Market. An EDAM Entity will ensure that EDAM Transfer revenue for Reliability Capacity allocated to its EDAM Entity Scheduling Coordinator is further allocated by all applicable EDAM Transmission Service Providers as may be detailed in the EDAM Transmission Service Provider tariff and business practices to adjust costs among its transmission customers and measured demand. EDAM Transfer revenue for Reliability Capacity allocated to the CAISO Balancing Authority Area is further allocated in the CAISO Balancing Authority Area according to the CAISO Tariff.

**Commented [A11]:** Same comment as above for Section 33.11.1.1.1.

**33.11.1.2 Congestion Revenue**

The CAISO will collect Congestion revenue based on price differences in the Marginal Cost of Congestion of the LMP across PNodes within the EDAM Area. For each Settlement Period of the DAM, the CAISO will calculate the contribution of each Balancing Authority Area in the EDAM Area to the Marginal Cost of Congestion at each resource location and intertie in the EDAM Area for each Balancing Authority Area based on the location of the Transmission Constraints in each

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Balancing Authority Area, EDAM Interties, and constraints enforced outside of the EDAM Area needed to manage that Balancing Authority Area's responsibilities. The CAISO will allocate the Congestion Charge revenue collected based upon its contribution to the EDAM Entity Scheduling Coordinator or the CAISO, including any adjustment for the CAISO Balancing Authority Area in accordance with Section 11 and any adjustment for EDAM Entity Balancing Authority Areas to account for schedules associated with EDAM Legacy Contracts, EDAM Transmission Ownership Rights and registered EDAM Transmission Service Provider transmission customer rights under Sections 33.16, 33.17, and 33.18, respectively. An EDAM Entity will ensure that Congestion revenue allocated to its EDAM Entity Scheduling Coordinator is further allocated by all applicable EDAM Transmission Service Providers as may be detailed in the EDAM Transmission Service Provider tariff and business practices to adjust costs among its transmission customers and measured demand. Congestion revenue allocated to the CAISO Balancing Authority Area will be further allocated according to the CAISO Tariff.

**33.11.2 EDAM RSE Failure Surcharge**

A Balancing Authority Area in the EDAM Area must meet the requirements of the EDAM RSE for its Balancing Authority Area, as provided in Section 33.31.1.4. As provided in Section 33.31.1.5, an EDAM Entity that fails the EDAM RSE will pay the applicable EDAM RSE failure surcharge(s) upon a tier 2 or a tier 3 failure; an EDAM Entity that experiences a tier 1 failure by a *de minimis* amount, in either the upward or downward direction, will not pay an EDAM RSE failure surcharge.

**33.11.2.1 Calculation of the EDAM RSE Failure Surcharges**

**33.11.2.1.1 EDAM RSE On-Peak Upward Failure Insufficiency Surcharge**

If a Balancing Authority Area in the EDAM Area fails to meet the requirements of Section 33.31.1.3 in the upward direction during any hour within the sixteen-hour on-peak period, then the Balancing Authority Area will be assessed the EDAM RSE On-Peak Upward Failure Insufficiency Surcharge in each hour of the sixteen-hour on-peak period, with such surcharge determined on a tiered structure, as provided in 33.31.1.5. The EDAM RSE On-Peak Upward Failure Insufficiency Surcharge will be calculated as the product of

(a) the highest EDAM RSE Hourly Upward Deficiency Quantity during the sixteen-hour on-peak period of that day, (b) the greater of the published bilateral electric index prices for the applicable EDAM Trade Location, and (c) the EDAM RSE Failure Multiplier adjusted by the EDAM RSE Failure Scaling Factor. The EDAM RSE On-Peak Upward Failure Insufficiency Surcharge applied in each hour of the sixteen-hour block will be adjusted by the EDAM RSE On-Peak Upward Credit amount for each hour the Balancing Authority Area passed the EDAM RSE in the upward direction on that Trading Day's sixteen-hour block period. In the event the EDAM RSE On-Peak Credit amount exceeds the surcharge amount, the EDAM RSE On-Peak Upward Failure Insufficiency Surcharge will be capped at zero.

**33.11.2.1.2 EDAM RSE Off-Peak Upward Failure Insufficiency Surcharge**

If a Balancing Authority Area in the EDAM Area fails to meet the requirements of Section 33.31.1.3 in the upward direction during any hour within the off-peak period, then the Balancing Authority Area will be assessed the EDAM RSE Off-Peak Upward Failure Insufficiency Surcharge for each hour during the off-peak period in which there has been an upward failure. The EDAM RSE Off-Peak Upward Failure Insufficiency Surcharge will be calculated as the product of (a) EDAM RSE Hourly Upward Deficiency Quantity; (b) the load-weighted average of the LMP of the LAP within that Balancing Authority Area and (c) the EDAM RSE Failure Multiplier.

**33.11.2.1.3 EDAM RSE Downward Failure Insufficiency Surcharge**

If a Balancing Authority Area in the EDAM Area fails to meet the requirements of Section 33.31.1.3 in the downward direction during any hour, then the Balancing Authority Area will be assessed the EDAM RSE Downward Failure Insufficiency Surcharge for each hour in which there has been a downward failure. The EDAM RSE Downward Insufficiency Charge will be calculated as the product of (a) the EDAM RSE Hourly Downward RSE Deficiency Quantity and (b) the Marginal Energy Cost of that Balancing Authority Area.

**33.11.2.2 EDAM RSE Surcharge Distribution**

The CAISO will sum all revenue on an hourly basis and distribute as follows:

**33.11.2.2.1 EDAM RSE On-Peak Upward Failure Insufficiency Revenue  
Distribution**

On an hourly basis, the CAISO will sum the EDAM RSE On-Peak Upward Failure Insufficiency Surcharge revenue owed by Balancing Authority Areas with tier 2 or tier 3 upward failures of the EDAM RSE during the on-peak hours and distribute that revenue, pro rata, to the Balancing Authority Areas in the EDAM Area that satisfied all upward components of the EDAM RSE in all of the sixteen on-peak hours of that Trading Day. If no Balancing Authority Area in the EDAM Area satisfied all of the upward components of the EDAM RSE in all of the sixteen on-peak hours of that Trading Day, then the CAISO will distribute the revenue collected on an hour-by-hour basis, pro-rata, to the Balancing Authority Areas that passed the EDAM RSE upward tests in that hour. In both cases, the pro-rata distribution will be determined based on a Balancing Authority Area's total net EDAM Transfers in the export direction as the numerator and the total sum of the net EDAM Transfers in the export direction of Balancing Authority Areas that passed the EDAM RSE upward tests as the denominator. If no Balancing Authority Area in the EDAM Area passed the RSE upward tests in any single on-peak hour, then the CAISO will distribute the revenue to all Balancing Authority Areas in the EDAM Area, pro-rata, based on metered Demand of the Balancing Authority Areas in the EDAM Area.

**33.11.2.2.2 EDAM RSE Off-Peak Upward Failure Insufficiency Revenue  
Distribution**

On an hourly basis, the CAISO will sum the EDAM RSE Off-Peak Upward Failure Surcharge revenue owed by of the Balancing Authority Areas with tier 2 and tier 3 upward failures of the EDAM RSE during the off-peak hours and distribute that revenue to Balancing Authority Areas in the EDAM Area that passed the EDAM RSE upward tests in all of the off-peak hours of that Trading Day. If no Balancing Authority Area in the

EDAM Area passed the EDAM RSE upward tests in all of the off-peak hours of that Trading Day, then the CAISO will distribute the revenue collected on an hour-by-hour basis, *pro-rata*, to the Balancing Authority Areas that passed the EDAM RSE upward tests in that off-peak hour. In both cases, the *pro-rata* distribution will be determined based on a Balancing Authority Area's total net EDAM Transfers in the export direction as the numerator and the total net EDAM Transfers in the export direction of all Balancing Authority Areas that passed the EDAM RSE upward tests as the denominator. If no Balancing Authority Area in the EDAM Area has passed the EDAM RSE upward tests in any single off-peak hour, then the CAISO will distribute the revenue to all Balancing Authority Areas in the EDAM Area, *pro-rata*, based on metered Demand of the Balancing Authority Areas in the EDAM Area.

**33.11.2.2.3 EDAM RSE Downward Failure Insufficiency Revenue Distribution**

On an hourly basis, the CAISO will sum the EDAM RSE Downward Failure Insufficiency revenue owed by Balancing Authority Areas with tier 2 and tier 3 failures of the EDAM RSE in the downward direction and distribute that revenue, *pro rata*, to the Balancing Authority Areas in the EDAM Area that satisfied all downward components of the EDAM RSE for that Trading Day. If no Balancing Authority Area in the EDAM Area passed the EDAM RSE downward tests over the twenty-four hour period of the Trading Day, then the CAISO will distribute the revenue collected on an hour-by-hour basis, *pro-rata*, to the Balancing Authority Areas that passed the EDAM RSE downward tests in any single hour. In both cases, the *pro-rata* distribution will be determined based on the Balancing Authority Area total net EDAM Transfers in the import direction as the numerator and the total sum of the net EDAM Transfers in the import direction of Balancing Authority Areas that passed the EDAM RSE downward tests as the denominator. If no Balancing Authority Area in the EDAM Area has passed the EDAM RSE downward tests in any single hour, then the CAISO will distribute the revenue *pro-rata* based on metered Demand of the Balancing Authority Areas in the EDAM Area.

**33.11.2.3 EDAM RSE Allocation**

Revenue and costs arising from the EDAM RSE failure surcharge(s) distributed in accordance with Section 33.11.2 will be allocated to the CAISO for sub-allocation in accordance with the CAISO Tariff and, for all other entities, to the EDAM Entity Scheduling Coordinator for further allocation to EDAM Transmission Service Providers and EDAM Resources in accordance with the requirements of the applicable tariffs and business practices of the entities within that Balancing Authority Area.

**33.11.3 Day-Ahead Market Settlement**

The CAISO settles Day-Ahead Schedules and RUC Schedules issued to EDAM Market Participants as specified in this Section 33.11.3.

**33.11.3.1 Settling Day-Ahead Schedules for Energy**

The CAISO settles Day-Ahead Schedules for Energy issued to EDAM Market Participants as specified in Section 11.2.1.1 for Supply and as specified in Section 11.2.1.2 for Demand. The CAISO settles Energy Exports at an EDAM External Intertie as specified in Section 11.2.1.4. The CAISO settles EDAM Transfers of Energy by assessing both the importing and exporting Balancing Authority Areas. In the case of EDAM Entities, the CAISO assesses the Scheduling Coordinator representing the importing Balancing Authority Area a settlement equal to the product of the quantity of the import and the LMP at the relevant Scheduling Point pricing location and assesses the Scheduling Coordinator representing the exporting Balancing Authority Area a settlement equal to the product of the quantity of the export and the LMP at the relevant Scheduling Point pricing location. If the CAISO is one of the importing or exporting Balancing Authority Areas, then the CAISO allocates the product of the export or import, as appropriate, and the LMP at the relevant Scheduling Point pricing location to CAISO Scheduling Coordinators as specified in Section 11 for allocating EDAM Transfers of Energy.

**33.11.3.2 Settling Imbalance Reserves**

The CAISO settles Imbalance Reserves Awards issued to EDAM Resources as specified in Sections 11.2.1.1.2, 11.2.1.8, and 11.25.2.1.1 as though the EDAM Resource were a Participating Generator.

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The CAISO allocates the costs of procuring Imbalance Reserves in the EDAM as specified in Section 11.2.1.9 individually for each EDAM Entity with the exception that any reference to the CAISO Balancing Authority Area is a reference to the Balancing Authority Area of the relevant EDAM Entity.

In allocating the costs of Imbalance Reserves, the CAISO assesses both the importing and exporting Balancing Authority Areas for EDAM Transfers of Imbalance Reserves. In the case of EDAM Entities, the CAISO assesses the Scheduling Coordinator representing the importing Balancing Authority Area a settlement equal to the product of the quantity of the import and the Locational IRU Price or Locational IRD Price, as applicable, at the relevant Scheduling Point pricing location. In the case of EDAM Entities, the CAISO assesses the Scheduling Coordinator representing the exporting Balancing Authority Area a settlement equal to the product of the quantity of the export and the Locational IRU Price or Locational IRD Price, as applicable, at the relevant Scheduling Point pricing location. If the CAISO is one of the importing or exporting Balancing Authority Areas, then the CAISO allocates the product of the export or import, as appropriate, and the Locational IRU Price or Locational IRD Price, as applicable, at the relevant Scheduling Point pricing location to CAISO Scheduling Coordinators as specified in Section 11 for allocating EDAM Transfers of Imbalance Reserves.

**33.11.3.3 Settling Reliability Capacity**

The CAISO settles RUC Awards issued to EDAM Resources as specified in Section 11.2.2 as though the EDAM Resource were a Participating Generator or other seller of Energy or Ancillary Services.

The CAISO allocates the costs of procuring Reliability Capacity in the EDAM as specified in Section 11.8.6.5.3.3 individually for each EDAM Entity, with the exception that any reference to the CAISO Balancing Authority Area is a reference to the Balancing Authority Area of the relevant EDAM Entity. In allocating the costs of Reliability Capacity, the CAISO assesses both the importing and exporting Balancing Authority Areas for EDAM Transfers of Reliability Capacity. The CAISO assesses the importing Balancing Authority Area a charge equal to the product of the quantity of the import and the RUC Price for RCU or RUC Price for RCD, as applicable, at the

relevant Scheduling Point pricing location. The CAISO assesses the exporting Balancing Authority Area a credit equal to the product of the quantity of the export and the RUC Price for RCU or RUC Price for RCD, as applicable, at the relevant Scheduling Point pricing location. If the CAISO is one of the importing or exporting Balancing Authority Areas, then the CAISO allocates the product of the export or import, as appropriate, and the RUC Price for RCU or RUC Price for RCD, as applicable, at the relevant Scheduling Point pricing location to CAISO Scheduling Coordinators as specified in Section 11 for allocating EDAM Transfers of Reliability Capacity.

**33.11.3.4 Settling Ancillary Services**

The EDAM does not procure Ancillary Services and the CAISO therefore does not settle charges or payments for Ancillary Services in the EDAM. Ancillary Services provided by an EDAM Entity cannot be used to offset Ancillary Services obligations of a Scheduling Coordinator representing an entity with Ancillary Services obligations in the CAISO Balancing Authority Area.

**33.11.3.5 IFM Bid Cost Recovery**

EDAM Resources may receive Bid Cost Recovery for the IFM in accordance with Sections 11.8. The CAISO allocates the IFM Bid Cost Uplift to Balancing Authority Areas in the EDAM Area, with the following adjustments.

For a Balancing Authority Area with net Energy export transfer, the CAISO transfers a portion of the Balancing Authority Area's IFM Bid Cost Uplift amount to Balancing Authority Areas receiving net Energy import transfers. For purposes of the foregoing, a Balancing Authority Area has net import transfers if the sum of the Balancing Authority Area's net Energy transfer and its net Imbalance Reserve transfer is in the import direction. If such sum is in the export direction, the Balancing Authority Area is deemed to have a net Energy export transfer.

The Balancing Authority Area IFM Bid Cost Uplift transfer adjustment amount will equal the product of the Balancing Authority Area hourly IFM Bid Cost Uplift amount and the ratio of the Balancing Authority Area's Day-Ahead net Energy export transfers and net Imbalance Reserve Up export transfers divided by Balancing Authority Area's Day-Ahead Schedules, Day-Ahead net Energy export transfers, net Imbalance Reserve Up export transfers and virtual demand, if

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applicable. The CAISO allocates the IFM Balancing Authority Area IFM Bid Cost Uplift transfer adjustment amount to Balancing Authority Areas with net transfers in the import direction. For each EDAM Entity Balancing Authority Area, the CAISO allocates the adjusted Balancing Authority Area IFM BCR amounts to the EDAM Entity for allocation under its tariff and, for the CAISO Balancing Authority Area, pursuant to Section 11.8.6.

**33.11.3.6 RUC Bid Cost Recovery**

EDAM Resources may receive Bid Cost Recovery for RUC in accordance with Sections 11.8.3. For each Trading Hour, the CAISO calculates the RUC Bid Cost Uplift for each EDAM Entity and the CAISO Balancing Authority Area. The CAISO allocates the RUC Bid Cost Uplift to each EDAM Entity Balancing Authority Area according the methodology specified in Section 11.8.6.5 with the following adjustments.

For a Balancing Authority Area with net Reliability Capacity export transfer, the CAISO transfers a portion of the Balancing Authority Area's RUC Bid Cost Uplift amount to Balancing Authority Areas receiving net Reliability Capacity transfers. For purposes of the foregoing, a Balancing Authority Area receives net Reliability Capacity transfers if the sum of the Balancing Authority Area's net Reliability Capacity transfers is in the import direction. If such sum is in the export direction, the Balancing Authority Area is deemed to have a net Reliability Capacity export transfer.

The Balancing Authority Area RUC Bid Cost Uplift transfer adjustment amount will equal the product of the Balancing Authority Area hourly RUC Bid Cost Uplift amount and the ratio of the Balancing Authority Area's net Reliability Capacity export transfers divided by Balancing Authority Area's Reliability Capacity Schedules. The CAISO allocates the IFM Balancing Authority Area IFM Bid Cost Uplift transfer adjustment amount to Balancing Authority Areas with net transfers in the import direction. For each EDAM Entity Balancing Authority Area, the CAISO allocates the adjusted Balancing Authority Area IFM BCR amounts to the EDAM Entity for allocation under its tariff and, for the CAISO Balancing Authority Area, pursuant to Section 11.8.6.

**33.11.3.7 Greenhouse Gas in the IFM**

Resources that receive a Day-Ahead attribution to serve Demand in a GHG Regulation Area will

receive a GHG payment. The GHG payment is the product of the IFM obligation to serve Demand in a GHG Regulation Area and the IFM Marginal GHG Cost for the respective GHG Regulation Area. For a resource within a GHG Regulation Area that does not receive an attribution to served Demand in another GHG Regulation Area, the cost of GHG compliance is embedded in the resource's LMP.

**33.11.3.8 EDAM Legacy Contracts, EDAM Ownership Rights, and Day-Ahead Schedules**

Scheduling Coordinators who Self-Schedule Energy in the IFM using their qualified and registered EDAM Transmission Service Provider rights will settle at the LMP in a manner similar to all other Day-Ahead awards, except the balanced portion of the Schedule is eligible for mitigation against Congestion. The CAISO will facilitate this mitigation by reversing the Marginal Cost of Congestion component of the LMP difference between the balanced source Day-Ahead Schedule and sink Day-Ahead Schedule. The CAISO will include these Congestion costs in the calculation of Day-Ahead Congestion revenue. In addition, long-term contracts with special marginal losses provisions will have a similar Settlement mechanism apply to the Marginal Cost of Losses component of the LMP.

**33.11.3.9 Neutrality**

The CAISO will consider each component of the LMP to ensure neutrality: Marginal Energy Cost, Marginal Cost of Congestion, Marginal Cost of Losses, and the applicable Marginal GHG Cost.

**33.11.3.9.1 Marginal Loss Offset**

The CAISO will calculate an hourly Day-Ahead marginal loss offset amount for each Balancing Authority Area. The hourly Day-Ahead marginal loss offset amount will equal the sum of the product of Day-Ahead Energy Schedules, including Schedules for Virtual Awards and transfer Energy schedules, and the Marginal Cost of Losses at their relevant pricing location. The CAISO will allocate the hourly Day-Ahead marginal loss offset amount to the EDAM Entity and, for the CAISO Balancing Authority Area, to Measured Demand. The hourly Day-Ahead marginal losses offset amount will also include any

marginal losses reversal from balanced Schedule portions of EDAM Legacy Contracts, EDAM Transmission Ownership Rights, and Self-Schedules submitted in accordance with Section 33.18.2.2.1.

**33.11.3.9.2 Marginal Greenhouse Gas Cost Offset**

The CAISO will calculate an hourly Day-Ahead Marginal GHG Cost Offset amount in relation to each GHG Regulation Area. The hourly Day-Ahead Marginal GHG Cost Offset amount will equal the product of Day-Ahead Energy Schedules within the GHG Regulation Area, including Schedules for Virtual Awards; GHG attributions associated with the GHG Regulation Area and the applicable Marginal GHG Cost. The CAISO will allocate the Day-Ahead Marginal GHG Cost Offset amount to a GHG Regulation Area's metered Demand.

**33.11.3.9.3 Marginal Congestion Offset**

The CAISO will calculate an hourly Day-Ahead marginal Congestion offset revenue for each EDAM Entity Balancing Authority Area. The hourly Day-Ahead marginal Congestion offset revenue will equal the sum of the product of Day-Ahead Energy Schedules, including Schedules for Virtual Awards and Energy transfer Schedules, and the Marginal Cost of Congestion contribution for each EDAM Entity Balancing Authority Area at its relevant pricing location and considering relevant intertie Transmission Constraints. The hourly Day-Ahead Congestion revenue amount will also include any EDAM Legacy Contracts, EDAM Transmission Ownership Rights, and Self-Schedules submitted in accordance with Section 33.18.2.2.1 marginal Congestion reversal amounts. The CAISO will allocate the hourly Day-Ahead marginal Congestion revenue amount to each EDAM Entity and the hourly Day-Ahead marginal Congestion revenue amount allocated to the CAISO Balancing Authority Area will be distributed first to CRRs and then to any surplus allocated to Measured Demand per the CAISO Tariff.

**33.11.3.9.4 Marginal Energy Offset**

The CAISO will calculate an hourly Day-Ahead marginal Energy offset amount for each

EDAM Entity Balancing Authority Area. The Balancing Authority Area hourly Day-Ahead marginal Energy offset amount will equal the remainder of the hourly Day-Ahead Energy Settlement less the offset amounts attributed to the Balancing Authority Area Day-Ahead Marginal Cost of Losses, Balancing Authority Area Day-Ahead Marginal GHG Cost, and Balancing Authority Area Day-Ahead Marginal Cost of Congestion. The CAISO will allocate the hourly Day-Ahead marginal Energy offset amount to the EDAM Entity and for the CAISO Balancing Authority Area to metered Demand.

#### **33.11.4 Real-Time Market Settlement**

The CAISO settles EIM Market Participants in the RTM as specified in Sections 11.5, 11.8, 11.10, 11.25, 11.29, and all other aspects of Section 11 that pertain to the RTM and apply to EIM Market Participants. The CAISO settles EDAM Market Participants as EIM Market Participants assuming references to an EIM Base Schedule is a reference to a Day-Ahead Schedule with the following modifications.

##### **33.11.4.1 Balancing Test Under-scheduling and Over-scheduling Charge**

EDAM Entities are not subject to the balancing test in Section 29.34(k) and will not be eligible for revenue apportionment and allocation pursuant to Section 29.11(d)(3).

##### **33.11.4.2 Fifteen-Minute Market (FMM) Imbalance Energy Settlement**

Intertie Schedules awarded an Energy Schedule in the Day-Ahead Market that subsequently have an incremental/decremental FMM Schedule change in the RTM, and did not submit an E-Tag prior to the HASP, will be subject to the HASP reversal rule applied through Settlement according to Section 11.32.

##### **33.11.4.3 Ancillary Services in the RTM**

EDAM Entity Balancing Authority Areas will provide the RTM with total Ancillary Service self-provision. This RTM self-provision should equal the Day-Ahead self-provision or Day-Ahead self-provision plus any incremental Real-Time self-provision if Ancillary Service requirements increase in the RTM.

##### **33.11.4.4 Intertie Deviations**

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The CAISO does not assess Under/Over Delivery Charges pursuant to Section 11.31 for intertie transactions at EDAM Internal Interties between EDAM Entities.

**33.11.5 Implementation Fee**

The CAISO will recover an implementation fee through the EDAM Entity Implementation Agreement to recover its costs incurred to onboard each EIM Entity into the Extended Day-Ahead Market based on the CAISO's cost of service. The CAISO will determine hourly rates for onboarding activity on an annual basis based on current aggregated and burdened labor rates. The majority of the onboarding costs will be labor costs; however, it is reasonable to assume some onboarding-specific non-labor costs. The CAISO will recover the cost to implement each EDAM Entity, which may vary depending on the size and complexity of the project. A \$300,000 deposit will be collected from prospective EDAM Entities to cover the actual start-up costs incurred. If the deposit exceeds the actual cost incurred to provide onboarding services, the CAISO will refund the excess amount, including any Interest accrued on the remaining deposit. If the actual implementation costs exceed the deposit, additional deposits in \$300,000 increments will be required, which the EDAM Entity must pay within thirty (30) days of receiving the invoice. Any invoice payment past due will accrue interest, per annum, calculated in accordance with 5 C.F.R. § 1315.10. If the EDAM Entity fails to timely pay any undisputed costs, the CAISO will not be obligated to continue performing onboarding activities unless and until the EDAM Entity has paid all undisputed amounts. If an EDAM Entity terminates an implementation agreement after the prospective EDAM entity's onboarding has begun, the CAISO will make every attempt to halt work and stop incurring costs on implementation as soon as practical. Any implementation-related costs the CAISO incurs will be drawn against the deposit provided. The CAISO will invoice the prospective EDAM entity for any amounts over the onboarding deposit; invoices will be due no later than thirty (30) days after the date of receipt. The CAISO will provide a report that details deposit(s) received, actual costs incurred, and applicable interest earnings (on deposit balance) for each onboarding project and return any unused deposit remaining after onboarding, plus interest on the remaining deposit (based on the average interest rate earned), to the EDAM Entity within ninety (90) days after onboarding is completed and acknowledged by both the

CAISO and EDAM Entity.

**33.11.6 Administrative Charge**

The CAISO will charge each EDAM Market Participant an EDAM Administrative Charge, which consists of the EDAM System Operations Charge and the Day-Ahead and Real-Time portions of the Market Services Charge, both volumetric charges. The CAISO will no longer collect the EIM Administrative Charge from an EDAM Market Participant after it is not only an EIM Market Participant. The Market Services Charge is described in Appendix F, Schedule 1, Part A. The EDAM System Operations Charge will be the product of the Systems Operations Charge, as calculated according to the formula in Appendix F, Schedule 1, Part A, real-time market percentage, as calculated in the cost of service study conducted according to Appendix F, Schedule 1, Part A, applied to metered values in MWh of Supply and Demand represented by the Scheduling Coordinator for the EDAM Market Participant.

**33.11.7 Transmission Revenue Recovery.**

The CAISO will allocate to each EDAM Entity and EDAM Load Serving Entity an EDAM Access Charge for recovery of EDAM recoverable revenue according to Section 33.26. The CAISO will charge Market Participants for transmission service according to Section 26.

**33.11.8 Flexible Ramping Product.**

The CAISO will allocate and settle payments and charges for the Flexible Ramping Product according to Section 11.25.

**33.11.9 Settlement**

With regard to the CAISO's assessment and payment of charges to, and collection of charges from, EDAM Market Participants pursuant to Sections 11 and 33.11, the CAISO will assess, pay, and collect such charges, address disputed invoices, assess, pay and collect Settlement-related fees and charges, including those under Sections 11.21, 11.28, and 11.29, and make any financial adjustments in accordance with the terms and schedule set forth in Section 11.

**33.12 Creditworthiness**

EDAM Entity Scheduling Coordinators, EDAM Load Serving Entity Scheduling Coordinators, and EDAM Resource Scheduling Coordinators must comply with the creditworthiness requirements of the CAISO

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Tariff. In the event EDAM Entity Scheduling Coordinators, EDAM Load Serving Entity Scheduling Coordinators, or EDAM Resource Scheduling Coordinators fail to satisfy the credit or other requirements in Section 12, the consequences specified in Section 12 will apply.

**33.13 Dispute Resolution**

Confirmation and validation of any dispute associated with the participation of EDAM Market Participants in the Day-Ahead Market is subject to Section 11.29.8 and will be managed through the CAISO's customer inquiry, dispute, and information system and as provided in the Business Practice Manual for the Extended Day-Ahead Market. EDAM Market Participants will be subject to dispute resolution pursuant to Section 13.

**33.14 Force Majeure, Indemnity, Liabilities, and Penalties**

The provisions of Section 14 regarding Uncontrollable Force, indemnity, liability, and penalties will apply to the participation of EDAM Market Participants in the Day-Ahead Market.

**33.15 [Not Used]**

*[The regulatory filings provisions of Section 15 will apply to the EDAM by default as they govern the CAISO regulatory filing process.]*

**33.16 EDAM Legacy Contracts**

**33.16.1 Administration.**

Section 16 will apply to EDAM Market Participants as referenced in this Section 33.16. The CAISO will administer EDAM Legacy Contracts in accordance with Section 16 as supplemented or modified in this Section 33.16. With respect to Section 16:

- (a) references to Existing Contracts will be read as references to EDAM Legacy Contracts;
- (b) references to a Participating TO will be read as references to an EDAM Entity, and the EDAM Entity will ensure that any applicable EDAM Transmission Service Providers in its Balancing Authority Area satisfy the requirements of Section 16 and this Section 33.16;
- (c) references to the CAISO Controlled Grid will be read as references to EDAM Transmission Service Provider facilities; and

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(d) references to the CAISO Balancing Authority or CAISO Balancing Authority Area will be read as references to an EDAM Entity Balancing Authority or EDAM Entity Balancing Authority Area, respectively.

**33.16.2 Registration**

The EDAM Entity for the Balancing Authority Area associated with the EDAM Legacy Contract will coordinate with the EDAM Legacy Contract rights holder and any applicable EDAM Transmission Service Providers to provide the CAISO with information and instructions as required by this Section 33.16, including information showing that the transmission service contract proposed to be designated as an EDAM Legacy Contract was entered into prior to the effective date of the applicable EDAM Transmission Service Provider tariff or otherwise not governed by the terms of that tariff (including any contract entered into pursuant to such transmission service contract). An EDAM Legacy Contract rights holder, in coordination with the applicable EDAM Entity, may reserve and schedule all the capacity available under the terms of the contract, in which case none of the capacity will be available for EDAM Transfers. Alternatively, an EDAM Legacy Contract rights holder may reserve and schedule a portion of the capacity or none at all, in which case the unreserved capacity will be made available for EDAM Transfers in accordance with Section 33.18.2.2.2 and the terms of the EDAM Legacy Contract. An EDAM Legacy Contract rights holder that intends to make capacity available for EDAM Transfers must be represented by a Scheduling Coordinator, which may be the EDAM Entity Scheduling Coordinator. The EDAM Legacy Contract rights holder must in any event coordinate use of its rights with the EDAM Entity associated with the EDAM Legacy Contract, and communicate the transmission capacity available for EDAM Transfers to the CAISO in accordance with the procedures and timelines in the Business Practice Manual for the Extended Day-Ahead Market.

**33.17 EDAM Transmission Ownership Rights**

**33.17.1 Administration**

Section 17 will apply to EDAM Market Participants as referenced in this Section 33.17. The CAISO will administer EDAM Transmission Ownership Rights in accordance with Section 17 as

supplemented or modified in this Section 33.17. With respect to Section 17:

- (a) references to Transmission Ownership Rights will be read as references to EDAM Transmission Ownership Rights;
- (b) references to a Participating TO will be read as references to an EDAM Entity, and the EDAM Entity will ensure that any applicable EDAM Transmission Service Providers in its Balancing Authority Area satisfy the requirements of Section 17 and this Section 33.17;
- (c) references to the CAISO Controlled Grid will be read as references to EDAM Transmission Service Provider facilities; and
- (d) references to the CAISO Balancing Authority or CAISO Balancing Authority Area will be read as references to an EDAM Entity Balancing Authority or EDAM Entity Balancing Authority Area, respectively.

#### **33.17.2 Registration**

The EDAM Entity for the Balancing Authority Area associated with the EDAM Transmission Ownership Rights will coordinate with the EDAM Transmission Ownership Rights holder to provide information and instructions as required by this Section 33.17. An EDAM Transmission Ownership Rights holder may reserve and schedule all the capacity associated with its ownership interest and not make any capacity available for EDAM Transfers. Alternatively, an EDAM Transmission Ownership Rights holder may release a portion of the capacity for EDAM Transfers in accordance with Section 33.18.2.2.2 and, if the EDAM Transmission Ownership Rights holder is also a transmission service provider, the CAISO will afford its transmission customers similar treatment. An EDAM Transmission Ownership Rights holder or customer that intends to make capacity available for EDAM Transfers must be represented by a Scheduling Coordinator, which may be the EDAM Entity Scheduling Coordinator. The EDAM Transmission Ownership Rights holder must coordinate release of its rights with the EDAM Entity associated with the EDAM Transmission Ownership Rights, and communicate the available transmission capacity to the CAISO in accordance with the procedures and timelines in the Business Practice Manual for the Extended Day-Ahead Market. Alternatively, an EDAM Transmission Ownership Rights holder

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may coordinate with the EDAM Entity to include all of its transmission ownership rights in the associated EDAM Transmission Service Information, in which case the transmission ownership rights would be made available pursuant to Section 33.18.

**33.18 EDAM Transmission Availability**

An EDAM Entity must provide the CAISO with EDAM Transmission Service Information for the transmission system within its Balancing Authority Area and ensure an EDAM Transmission Service Provider makes available for use in the Day-Ahead Market the transmission capacity supporting the network model data included in the CAISO's Full Network Model for the EDAM Entity Balancing Authority Area. An EDAM Entity must ensure that the EDAM Transmission Service Provider amends its tariff to account for the transmission it will make available in the Day-Ahead Market consistent with this Section 33. The CAISO will utilize the transmission capacity represented in the Full Network Model for the Day-Ahead Market and to support EDAM Transfers between Balancing Authority Areas in the EDAM Area. The EDAM Transmission Service Provider will remain the transmission service provider in accordance with its tariff and be responsible to manage transmission sales, reservations, and schedules on its transmission system. The CAISO will remain the transmission service provider for transmission capacity on the CAISO Controlled Grid in accordance with the CAISO Tariff.

**33.18.1 Transmission at EDAM External Interties**

An EDAM Entity associated with an EDAM Transmission Service Provider transmission system will ensure the EDAM Transmission Service Provider coordinates with the EDAM Entity and with transmission customers with transmission service contracts under the EDAM Transmission Service Provider tariff so that the EDAM Entity will have all necessary information to register the transmission service customer's transmission service rights at EDAM External Interties with the CAISO and other EDAM Entities. The EDAM Entity must also ensure association of an EIM Mirror System Resource in accordance with Section 33.30.9 if the EDAM External Intertie is with an EIM Entity Balancing Authority Area.

**33.18.1.1 Qualification**

Transmission service that qualifies for registration includes network integration transmission service or firm and conditional firm point-to-point transmission service from:

(a) a source in an EDAM Entity Balancing Authority Area to an EDAM External Intertie location, (b) an EDAM External Intertie location to a sink within the EDAM Entity Balancing Authority Area, or (c) a wheel through an EDAM Entity Balancing Authority Area from an EDAM External Intertie location to another EDAM External Intertie location. Internal firm and conditional firm point-to-point transmission service or network integration transmission service not associated with an EDAM External Intertie are not subject to this registration process, and will exclusively follow the EDAM Transmission Service Provider tariff with respect to administration of their rights.

**33.18.1.2 Registration**

Qualified transmission services must be registered with the CAISO by the EDAM Entity in accordance with the procedures and timelines in the Business Practice Manual for the Extended Day-Ahead Market, which may differ depending upon the duration of the transmission rights, e.g., yearly, monthly, weekly or of a shorter duration. Network integration transmission service customers will follow the EDAM Transmission Service Provider tariff for designation and un-designation of network resources.

**33.18.1.3 Scheduling**

The Scheduling Coordinator for a transmission customer of an EDAM Transmission Service Provider may represent within the Day-Ahead Market its use of firm or conditional firm point-to-point transmission service rights, and network integration transmission service rights, to/from an EDAM External Intertie by submitting a Self-Schedule export/import transaction to/from an EDAM External Intertie or a Self-Schedule wheeling through transaction between two EDAM External Interties in accordance with Section 33.18.2.2.1.

**33.18.1.4 Late Schedules**

When a schedule associated with registered transmission service rights is submitted in accordance with the EDAM Transmission Service Provider tariff after the start of the Day-Ahead Market, it will be accommodated in the Real-Time Market. The EDAM Entity Scheduling Coordinator for the EDAM Transmission Service Provider will ensure that the

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CAISO is notified of all such schedules submitted after the start of the Day-Ahead Market through submission of a Self-Schedule to the CAISO. The Real-Time Market may re-dispatch if necessary to accommodate the exercise of the associated transmission service rights and will afford the Self-Schedule submitted by the EDAM Entity Scheduling Coordinator equal priority to cleared Day-Ahead Schedules. If the CAISO identifies through the EDAM Entity implementation process or market operational experience that accommodating Self-Schedules accounting for late schedules in the Real-Time Market impacts market outcomes or reliability, the CAISO will work with the EDAM Entity associated with the EDAM Transmission Service Provider and may adjust Day-Ahead Market availability of the associated transmission service rights in accordance with the procedures and timelines in the Business Practice Manual for the Extended Day-Ahead Market.

**33.18.1.5 Settlement**

A Self-Schedule associated with registered firm or conditional firm point-to-point transmission service rights or network integration transmission service at EDAM External Interties will be settled by the CAISO with the Scheduling Coordinator.

**33.18.1.6 Resource Registration and Tagging**

The EDAM Entity will be responsible for registration of System Resources associated with imports into its Balancing Authority Area at an EDAM External Intertie, and will provide the CAISO with a pre-market and after-the fact E-Tag for transmission schedules associated with an import, export or wheel through its Balancing Authority Area at EDAM External Interties.

**33.18.2 Transmission at EDAM Internal Interties**

An EDAM Entity associated with its transmission system will ensure the EDAM Transmission Service Provider coordinates with the EDAM Entity and with transmission customers with transmission service contracts under the EDAM Transmission Service Provider tariff so that the EDAM Entity will have all necessary information to register transmission service customer's transmission service at EDAM Internal Interties with the CAISO and other EDAM Entities in

accordance with the procedures and timelines in the Business Practice Manual for the Extended Day-Ahead Market, which processes may differ depending upon the duration of the transmission rights, e.g., yearly, monthly, weekly or of a shorter duration. EDAM Transfers must be supported by firm or conditional firm point-to-point transmission service rights across an EDAM Internal Intertie or network integration transmission service associated with an import of a designated network resource across an EDAM Internal Intertie. EDAM Legacy Contracts may support EDAM Transfers only if made available under Section 33.16.2, and EDAM Transmission Ownership Rights may support EDAM Transfers only if made available under Section 33.17.2. An EDAM Entity Scheduling Coordinator must identify the transmission limits associated with the firm and conditional firm point-to-point transmission service capacity and network integration transmission service capacity that will be available to the Day-Ahead Market at EDAM Internal Interties to support EDAM Transfers. The EDAM Entity Scheduling Coordinator responsible for submitting the E-Tag must communicate to the CAISO the transmission limits associated with the transmission service available under Section 33.18.2.1, Section 33.18.2.2 broken down into individual components for Section 33.18.2.2.1 through Section 33.18.2.2.3, and Section 33.18.2.3, in accordance with the procedures and timelines in the Business Practice Manual for the Extended Day-Ahead Market.

**33.18.2.1 Transmission to Support Resource Sufficiency**

An EDAM Entity must ensure firm or conditional firm point-to-point transmission service or network integration transmission service is available across an EDAM Internal Intertie to support an EDAM Transfer from the source Balancing Authority Area to the sink Balancing Authority Area to support the EDAM Resource Sufficiency Evaluation for its Balancing Authority Area. If the EDAM Transfer is associated with a EDAM Legacy Contract, then balanced Self-Schedules must be submitted into the Day-Ahead Market for relevant EDAM Transfer System Resource for delivery of the Supply external to its Balancing Authority Area. An EDAM Entity may also account for delivery of Supply external to its Balancing Authority Area in the EDAM Resource Sufficiency Evaluation under Section 33.30.8; however, the transmission that may ultimately support delivery of

**Commented [A12]:** For the avoidance of doubt, suggest referencing requirements for obtaining ATC reservation and/or HPT status for wheels across the CAISO that are included in RSE showings here.

the Supply is not known before the Day-Ahead Market and will not be available to support EDAM Transfers.

**33.18.2.2 Transmission Not Used for Resource Sufficiency**

The Scheduling Coordinator for a transmission customer of an EDAM Transmission Service Provider must take one of three pathways prior the start of the Day-Ahead Market to schedule its firm and conditional firm point-to-point transmission service rights, or network integration transmission service rights, at an EDAM Internal Intertie to support an EDAM Transfer even though it may not be required for the EDAM Resource Sufficiency Evaluation under Section 33.18.2.1.

**33.18.2.2.1 Self-Schedule Associated with Registered Transmission**

The Scheduling Coordinator for a transmission customer of an EDAM Transmission Service Provider may submit a Self-Schedule for Energy associated with its registered firm or conditional firm point-to-point transmission service rights or network integration transmission service rights prior to start of the Day-Ahead Market. The Energy associated with the Self-Schedule will be settled by the CAISO with the Scheduling Coordinator for the registered transmission rights.

**33.18.2.2.2 Release the Transmission**

The Scheduling Coordinator for a transmission customer of an EDAM Transmission Service Provider, EDAM Legacy Contract or EDAM Transmission Ownership Right may notify the CAISO and the EDAM Transmission Service Provider and release its long-term and monthly firm and conditional firm point-to-point registered transmission service rights across an EDAM Internal Intertie prior to 09:00 the morning of the Day-Ahead Market. The Scheduling Coordinator may determine, on a daily basis, whether to make the full amount or only a portion of its registered transmission service rights available for EDAM Transfers for that day only or a longer timeframe. Released transmission service rights

cannot be reclaimed or scheduled for the duration and trade date for which they have been released. The EDAM Entity associated with the EDAM Transmission Service Provider will ensure that information on such released transmission service rights is communicated to the CAISO for association with an EDAM Transfer System Resource. The released transmission capacity utilized by the Day-Ahead Market will be settled by the CAISO with the Scheduling Coordinator for the transmission rights.

**33.18.2.2.3 Submit a Late (or No) Transmission Schedule**

If the Scheduling Coordinator for a transmission customer of an EDAM Transmission Service Provider does not release the transmission service rights or schedule its registered firm or conditional firm point-to-point transmission service rights under Section 33.18.2.2.1 or Section 33.18.2.2.2 prior to the Day-Ahead Market, the transmission customer may later exercise its rights under the EDAM Transmission Service Provider tariff. In the meantime, the unscheduled transmission service rights identified by the EDAM Entity in coordination with EDAM Transmission Service Provider will be made available to the CAISO for EDAM Transfers in the Day-Ahead Market. If the transmission customer later submits a schedule associated with its registered transmission service rights in accordance with the EDAM Transmission Service Provider tariff, the EDAM Entity Scheduling Coordinator associated with the EDAM Transmission Service Provider will ensure that the CAISO is notified of all such late transmission schedules through submission of a Self-Schedule to the CAISO by the EDAM Entity Scheduling Coordinator, which the CAISO will accommodate in the Real-Time Market. The Real-Time Market may re-dispatch if necessary to accommodate the late Self-Schedule of the associated transmission service rights and will afford the Self-Schedule submitted by the EDAM Entity Scheduling Coordinator equal priority to cleared Day-Ahead Schedules. Self-Schedules

submitted after the Day-Ahead Market will be settled with the EDAM Entity Scheduling Coordinator.

### 33.18.2.3      **Unsold Available Transfer Capability**

The EDAM Entity Scheduling Coordinator will determine the amount of unsold firm available transfer capability at an EDAM Internal Intertie under the EDAM Transmission Service Provider tariff prior to 10:00 the morning of the Day-Ahead Market, accounting for reserve sharing group obligations or other unique circumstances and arrangements as provided in the EDAM Transmission Service Provider tariff. The CAISO will make the unsold transmission capability as communicated by the EDAM Entity Scheduling Coordinator available for EDAM Transfers. An EDAM Entity at each EDAM Internal Intertie between Balancing Authority Areas in the EDAM Area will provide the CAISO with a pre-market E-Tag for available transfer capability associated with the EDAM Internal Interties for which it is responsible.

### 33.18.2.4      **EDAM Transfer Limits Used for the Day-Ahead Market**

The CAISO will communicate the quantity of transmission that the Day-Ahead Market utilized for EDAM Transfers to the EDAM Entity Scheduling Coordinator after the close of the Day-Ahead Market, which the EDAM Entity associated with the EDAM Transmission Service Provider will ensure the EDAM Transmission Service Provider will thereafter make available in accordance with its tariff. An EDAM Entity at each EDAM Internal Intertie between Balancing Authority Areas in the EDAM Area will provide the CAISO with an after-the fact E-Tag for transmission schedules associated with the EDAM Internal Interties for which it is responsible.

**Commented [A13]:** What happens if the transmission used by the Day-Ahead Market is greater than transmission available?

### 33.18.3      **CAISO Transmission at EDAM Interties**

The CAISO will provide transmission service on the CAISO Controlled Grid and at EDAM Interties in accordance with the CAISO Tariff to support the EDAM Resource Sufficiency Evaluation for the CAISO Balancing Authority Area and to support the EDAM Resource Sufficiency Evaluation for an EDAM Entity Balancing Authority Area. The CAISO will make Available Transfer Capability at EDAM Internal Interties on the CAISO Controlled Grid available as determined in accordance with

**Commented [A14]:** Suggest rephrasing the requirement of EDAM entities to obtain and pay for transmission services across the CAISO system as an affirmative requirement for these entities, rather than phrasing the tariff requirements in terms of what the CAISO "will provide" or "will make available". That would be consistent with the provisions immediately below.

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Section 23 and Appendix L at the start of the Day-Ahead Market to support EDAM Transfers. The CAISO will facilitate the availability of transmission capacity associated with Existing Contracts and Transmission Ownership Rights for EDAM Transfers if the rights holder makes the capacity available to the CAISO consistent with Section 33.16.2 or Section 33.17.2, as applicable, which will then be eligible to receive EDAM Transfer revenue settlement with the Scheduling Coordinator for the Existing Contracts and Transmission Ownership Rights

**33.18.3.1 Wheels Through**

Supply wheeled through the CAISO Balancing Authority Area and accounted for in the EDAM Resource Sufficiency Evaluation must demonstrate establishment of a Wheeling Through transaction across the CAISO Controlled Grid and have designated transmission service under Section 33.18.2.1 into an EDAM Entity Balancing Authority Area. An EDAM Entity may also account for delivery of Supply wheeled through the CAISO Balancing Authority Area in the EDAM Resource Sufficiency Evaluation under Section 33.30.8; however, the transmission that may ultimately support delivery of the Supply will not be available to support EDAM Transfers.

**Commented [A15]:** What does this mean? Please clarify how this provision is intended to interact with 33.30.8.

**33.18.3.2 Exports From**

Supply from a CAISO Participating Resource accounted for in the EDAM Resource Sufficiency Evaluation of an EDAM Entity Balancing Authority Area must demonstrate they have a contract with a resource that has non-Resource Adequacy available capacity from the CAISO Balancing Authority Area and have designated transmission service under Section 33.18.2.1 into an EDAM Entity Balancing Authority Area. An EDAM Entity may also account for delivery of Supply exported from the CAISO Balancing Authority Area in the EDAM Resource Sufficiency Evaluation under Section 33.30.8; however, the transmission that may ultimately support delivery of the Supply will not be available to support EDAM Transfers

**33.18.4 EDAM Transfer Priority**

EDAM Transfers will have a priority equal to Demand in the EDAM Area under normal operating conditions and may be curtailed only as provided in Section 33.7.5. The Day-Ahead Market will

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include a constraint as provided in Section 33.27.3 to ensure each Balancing Authority in the EDAM Area meets its Balancing Authority Area requirements before supporting EDAM Transfers.

**33.19 [Not Used]**

*[Section 19 is not used in the CAISO tariff and Section 33.19 will similarly not be used.]*

**33.20 Confidentiality**

The confidentiality provisions in Section 20 will apply to participation of EDAM Market Participants in the Day-Ahead Market.

**33.21 [Not Used]**

*[Section 21 is not used in the CAISO tariff and Section 33.21 will similarly not be used.]*

**33.22 Miscellaneous**

Section 22 and the additional miscellaneous provisions of this Section 33.22 will apply to the EDAM.

To the extent that the CAISO would incur any tax liability as a result of the participation of EDAM Market Participants in the Day-Ahead Market, for example as market operator or as central counterparty to EDAM transactions, the CAISO will pass those taxes on to the EDAM Entity Scheduling Coordinator for the EDAM Entity Balancing Authority Area where the transactions triggered the tax liability.

Neither the CAISO nor the EDAM Entity is a "Purchasing Selling Entity" for purposes of E-Tags or EDAM Transfers, nor will either be listed as a "Purchasing Selling Entity" for purposes of E-Tags or EDAM Transfers.

Title to Energy in the Day-Ahead Market passes directly from the entity that holds title when the Energy enters the CAISO Controlled Grid or the transmission system of an EDAM Transmission Service Provider, whichever is first following Dispatch, to the entity that removes the Energy from the CAISO Controlled Grid or the transmission system of a EDAM Transmission Service Provider, whichever last precedes delivery to Load.

**33.23 Transmission Service Requirements**

Section 33.23 applies only to EDAM Market Participants. Transmission service requirements on the CAISO Controlled Grid will continue in accordance with Section 23 and other provisions of the [CAISOGASIO](#) Tariff applicable to transmission service on the CAISO Controlled Grid.

An EDAM Resource Scheduling Coordinator must obtain transmission service from an EDAM

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Transmission Service Provider to participate in the Day-Ahead Market, which may be satisfied through the following options:

- (a) The EDAM Resource is a designated network resource under the terms of an EDAM Transmission Service Provider tariff; or
- (b) The EDAM Resource reserves firm point-to-point transmission service of any duration under the terms of an EDAM Transmission Service Provider tariff, or (c) The EDAM Resource is associated with an EDAM Legacy Contract.

If options (a), (b), or (c) above are not satisfied, the CAISO will notify the EDAM Entity associated with the EDAM Transmission Service Provider and that EDAM Entity will ensure the EDAM Transmission Service Provider assesses a transmission charge based on the transmission rate for the lowest duration of firm transmission service offered under its tariff, which may be a daily firm or hourly firm transmission service. If the EDAM Transmission Service Provider offers daily firm point-to-point transmission service as the lowest granularity of firm transmission service, the transmission service charge would be evaluated based on the single highest-hour Real-Time Dispatch of the resource across the day for the amount in excess of reserved transmission service. If the EDAM Transmission Service Provider offers hourly firm point-to-point transmission service as the lowest granularity of firm transmission service, the transmission service charge would be evaluated based on each individual hourly Real-Time Dispatch of the resource for the day. If the Real-Time Dispatch for any hour across the day is above the transmission reservation, the CAISO will notify the EDAM Entity associated with the EDAM Transmission Service Provider and that EDAM Entity will ensure the EDAM Transmission Service Provider assesses the hourly transmission charge as described above. This Section 33.23 establishes a common methodology for a Scheduling Coordinator to secure transmission service from an EDAM Transmission Service Provider. The specific transmission service requirements and any associated transmission service charges will be determined in accordance with the EDAM Transmission Service Provider tariff.

**33.24 [Not Used]**

*[The EDAM does not include transmission planning related functions and Section 24 does not apply.]*

**33.25 [Not Used]**

*[The EDAM does not include generator interconnection related functions and CAISO Tariff Section 25*

does not apply.]

### 33.26 Transmission Revenue Recovery And Charges

Access Charges for Day-Ahead Market transactions serving Load within the CAISO Balancing Authority Area that use the CAISO Controlled Grid are governed by Section 26. Transmission service charges for Day-Ahead Market transactions serving Load within an EDAM Entity Balancing Authority Area are governed by the applicable EDAM Transmission Service Provider tariff. Transmission service charges for Day-Ahead Market transactions supported by EDAM Transfers are addressed in this Section 33.26. Transmission service charges for Real-Time Market transactions are governed by Section 11, Section 26, or Section 29.26, as applicable.

#### 33.26.1 EDAM Access Charges

The EDAM Entity associated with an EDAM Transmission Service Provider will ensure each EDAM Transmission Service Provider forecasts its EDAM projected recoverable revenue shortfall on an annual basis. The CAISO will determine an EDAM Access Charge for each EDAM Balancing Authority Area based on the aggregate inputs of each EDAM Transmission Service Provider in that Balancing Authority Area. The CAISO will assess the EDAM Access Charge to Gross Load in each EDAM Balancing Authority Area. The CAISO will allocate revenue collected from the EDAM Access Charge to EDAM Entities associated with EDAM Transmission Service Providers on behalf of each such EDAM Transmission Service Provider in proportion to their shares of EDAM recoverable revenue. The CAISO will true-up actual revenue recovery through an EDAM Balancing Account.

**Commented [A16]:** Suggest defining "revenue shortfall" as a defined term.

**Commented [A17]:** There is no definition for EDAM Balancing Authority Area. It would appear such definition should include the CAISO BAA.

##### 33.26.1.1 Revenue Shortfall Allocated to Gross Load

To allocate an EDAM recoverable revenue shortfall, the CAISO will derive an annual rate specific to each EDAM Balancing Authority Area:

- (1) allocating each EDAM Transmission Service Provider revenue shortfall to the EDAM Balancing Authority Areas associated with the other EDAM Transmission Service Providers, on behalf of such other EDAM Transmission Service Providers, in proportion to

- (a) the EDAM Transmission Service Provider's Gross Load divided by

- (b) the total EDAM Area Gross Load minus Gross Load of the EDAM Transmission Service Provider;
- (2) calculating the total revenue shortfall allocation; and
- (3) dividing the total revenue shortfall by the EDAM Transmission Service Provider's Gross Load.

### 33.26.1.2 Truing Up the Forecasted Revenue Shortfall

EDAM Entities associated with EDAM Transmission Service Providers and the CAISO will recover, on behalf of each such EDAM Transmission Service Provider and CAISO Participating Transmission Owners, any delta, positive or negative, between the actual revenue shortfall and the amount of revenue it collected toward its EDAM recoverable revenue by including the delta in the following year's forecasted recoverable revenue.

### 33.26.2 Recoverable Revenue Shortfalls

Projected EDAM recoverable revenue shortfalls will consist of the sum of the following three components described in more detail below:

- (1) shortfalls in revenues associated with the short-term firm and non-firm point-to-point products, and for the CAISO, foregone ~~reduction~~ in WAC revenues;
- (2) shortfalls in revenues attributed to short-term firm and non-firm point-to-point transmission service on approved new transmission builds that increase transfer capability between EDAM Entity Balancing Authority Areas or between the CAISO Balancing Authority Area and an EDAM Entity Balancing Authority Area; and
- (3) shortfalls in revenues for wheeling through volumes for EDAM Entity Balancing Authority Areas that exceed the total imports/exports from the EDAM Entity Balancing Authority Areas.

#### 33.26.2.1 Component 1: Short-Term Firm and Non-Firm Point-to-Point Transmission and Wheeling Access Charge Revenues

The first EDAM revenue shortfall component is projected revenue shortfalls associated with the costs of historical transmission sales to third parties, excluding costs related to

**Commented [A18]:** Section 33.26.2 and its sub-sections should be revised throughout to include recovery of revenue shortfalls by the CAISO BAA.

sales to the EDAM Entity marketing function associated with EDAM Transmission Service Providers. The following transmission products are eligible for historical revenue recovery: hourly non-firm point-to-point, daily non-firm point-to-point, weekly non-firm point-to-point, monthly non-firm point-to-point, hourly firm point-to-point, daily firm point-to-point, weekly firm point-to-point, and monthly firm point-to-point transmission service. EDAM Entities associated with EDAM Transmission Service Providers also may recover, on behalf of such EDAM Transmission Service Providers, projected revenue shortfalls due to foregone CAISO Participating Transmission Owner WAC revenues associated with third-party Wheeling from the CAISO Balancing Authority Area.

#### 33.26.2.1.1 Calculating and Updating EDAM Recoverable Revenue

EDAM Entities associated with EDAM Transmission Service Providers will calculate, on behalf of each such EDAM Transmission Service Provider, ~~will calculate~~ the EDAM recoverable revenue based on the EDAM Transmission Service Provider's average FERC-approved (or Local Regulatory Authority-approved) eligible transmission services for the most recent three years. ~~The R~~recoverable wheeling-related revenues amount will equal the average FERC-approved Transmission Revenue Balancing Account adjustment from third-party wheeling through transactions for the most recent three years.

EDAM Entities associated with EDAM Transmission Service Providers ~~will~~, on behalf of such EDAM Transmission Service Providers, ~~must~~ review and update recoverable revenues between their second and third years of participating in the EDAM. The total costs recoverable through the EDAM consist of the difference between the EDAM recoverable revenue and actual transmission recovered revenue eligible for recovery pursuant to this Section 33.26.

#### 33.26.2.1.2 EDAM Recoverable Revenue Limits

The EDAM recoverable revenue for each EDAM Entity will not exceed the product of (a) EDAM recoverable revenue and (b) the ratio of exports from the EDAM Entity to the EDAM Area and exports from the EDAM Entity to locations

**Commented [A19]:** Are there WAC revenues generated from entities that are not "third parties"? Who are the third parties for purposes of this section.

**Commented [A20]:** This description of the methodology used in the CAISO is not specific enough. More detail is needed, either here or in App. F. Is the CAISO summing up individual PTOs' TRBAAs to develop a CAISO-wide TRBAA? Also, are there WAC revenues that are not from "third party wheeling through transactions"?

outside of the EDAM Area.

**33.26.2.2 Component 2: Percentage of New Transmission Revenue Requirement**

The second EDAM recoverable revenue component is new Network Upgrade costs approved by the Local Regulatory Authority or FERC, as applicable. Eligible new costs include (a) costs resulting from reduced revenues from sales of non-firm and short-term firm transmission associated with the release of transmission capacity resulting from the expiration of EDAM Legacy Contracts, and (b) new Network Upgrades costs. Eligible new Network Upgrade costs are (a) those that increase transfer capability between EDAM Entity Balancing Authority Areas or between the CAISO Balancing Authority Area and an EDAM Entity Balancing Authority Area (b) energized after the EDAM Entity begins participation in the Day-Ahead Market. For each new Network Upgrade eligible for recovery, the EDAM Entity only may recover through the EDAM the percentage of its projected revenue equal to the EDAM Entity's ratio of (a) the non-firm and short-term firm point-to-point historical EDAM recoverable transmission revenues in Component 1 to (b) the EDAM Entity's total revenue requirement.

The CAISO will include examples of Network Upgrades that increase transfer capability and examples that do not in the EDAM Business Practice Manual. Network Upgrades increase transfer capability where they:

- (a) increase total transfer capability;
  - (b) create a new interfaces;
  - (c) increase the simultaneous import limits at existing interfaces;
  - (d) result from an Interregional Transmission Project to increase transfer capability;
- or
- (e) were identified through the WECC path rating process as increasing total transfer capability or creating new transmission interfaces

between EDAM Entity Balancing Authority Areas or between the CAISO Balancing Authority Area and an EDAM Entity Balancing Authority Area.

**Commented [A21]:** Why doesn't sub-part (a) duplicate a portion of the recovery under Component 1 above?

**33.26.2.3 Component 3: Recovery of Transmission Costs Associated With  
EDAM Wheeling Through Volumes Net of Imports/Exports**

The third EDAM recoverable component eligible for recovery is projected revenue shortfalls associated with wheeling through an EDAM Entity Balancing Authority Area or the CAISO Balancing Authority Area associated with an EDAM Transmission Service Provider in excess of the total net transfers of the EDAM Entity Balancing Authority Area. In periods where this excess occurs, the EDAM Entity, on behalf of the EDAM Transmission Service Provider, will be compensated for the transmission use supporting excess wheeling through the EDAM Transmission Service Provider or CAISO Participating TO.

**33.26.3 Allocating Access Charge Revenues in the EDAM**

The CAISO will assess EDAM Access Charges to recover the EDAM projected recoverable revenue shortfalls to Gross Load in each EDAM Balancing Authority Area. The CAISO will allocate revenues collected from the EDAM Access Charges to EDAM Entities on behalf of each such EDAM Transmission Service Provider, in proportion to its share of EDAM projected recoverable revenue shortfalls.

**33.26.4 Documentation**

As specified in the EDAM Business Practice Manual, EDAM Entities, on behalf of their EDAM Transmission Service Providers, will provide the CAISO all supporting documentation necessary to determine the ~~local~~ EDAM Access Charges in each Balancing Authority Area. At a minimum this documentation will include (a) the final order from FERC or the Local Regulatory Authority effecting their approved transmission rates; (b) the sums for each recoverable revenue component and true-up; and (c) an authorized affidavit from each EDAM Transmission Service Provider attesting to the accuracy of the data provided. For each EDAM Transmission Service Provider, the CAISO will maintain on its website the current sum of each recoverable revenue component, the total true-up, and total eligible recovery. The CAISO will maintain on its website each EDAM Access Charge, including the rate, the Gross Load, and the total eligible recovery in that Balancing Authority Area.

### **33.27 CAISO Markets And Processes**

The provisions of Section 27 that apply to the Day-Ahead Market will apply to EDAM Market Participants, except as provided in this Section 33.27.

#### **33.27.1 Transitional Process.**

For a period of six months following the EDAM Entity Implementation Date of a new EDAM Entity, the provisions of Section 27.4.3.2 and the second sentence of Section 27.4.3.4 will not apply to constraints that are within the Balancing Authority Area of the new EDAM Entity or affect EDAM Transfers between the Balancing Authority Area of the new EDAM Entity. For those intervals that experience infeasibilities described in those provisions, the CAISO will instead determine prices consistent with the provisions of Section 27, Section 31, and Appendix C, that would apply in the absence of Section 27.4.3.2 and the second sentence of Section 27.4.3.4 constraints.

In addition, for a period of six months following the EDAM Entity Implementation Date of a new EDAM Entity, when the transmission and/or power balance constraints as specified in Section 27.4.3.2 and the second sentence of Section 27.4.3.4 are relaxed, the CAISO will set the Flexible Ramping Product parameter for pricing purposes, for the new EDAM Entity Balancing Authority Area, at an amount between and including \$0 and \$0.01. Sixty days prior to the expiration of the transition period, the CAISO will post on the CAISO Website an assessment of whether an extension of the transition period, for up to an additional six months, is needed for the applicable EDAM Entity. The CAISO will post an update to such assessment prior to the expiration of the transition period should there be any changes to its posted conclusions. Any extensions of the initial six-month transition period must be approved by FERC.

**Commented [A22]:** Isn't FRP in place for the EIM? If that is so, there should only be a transition period for FRP if an entity is simultaneously initiating participation in the EDAM and the EIM.

#### **33.27.2 Locational Marginal Price Formation**

The Locational Marginal Price for PNodes within each Balancing Authority Area in the EDAM Area will be determined in accordance with Appendix C.

#### **33.27.3 Default Generation Aggregation Points**

Each Balancing Authority Area in the EDAM Area will associate directly with PNodes of non-EDAM Balancing Authority Areas in WECC through two non-overlapping default generation aggregations as described in Appendix C:

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(1) a North DGAP, which includes the WECC northwest non-EDAM Balancing Authority Areas; and

(2) a South DGAP, which includes the WECC southwest non-EDAM Balancing Authority Areas' PNodes, except Mexico.

**33.27.3 Power Balance Constraint Relaxation**

The Extended Day-Ahead Market will include a constraint to ensure each EDAM Entity meets its Balancing Authority Area requirements before supporting EDAM Transfers. The constraint will not allow a simultaneous power balance constraint violation in the upward/downward direction with a net EDAM Transfer export/import beyond the net EDAM Transfer eligible for the EDAM RSE as established in Section 33.18.2.1.

**33.27.4 IBAA and EDAM Entity Balancing Authority Areas**

Section 27.5.3 will not apply to an EDAM Entity Balancing Authority Area.

**33.28 Inter-SC Trades**

EDAM Entity Scheduling Coordinators, EDAM Load Serving Entity Scheduling Coordinators, EDAM Resource Scheduling Coordinators and other Scheduling Coordinators in the Extended Day-Ahead Market may not submit Inter-SC Trades, and Section 28 will not apply to the Extended Day Ahead Market.

**Commented [A23]:** Is the intent for this term to include SCs for CAISO LSEs? (See comments on definition.)

**Commented [A24]:** Does this eliminate ISTs in the CAISO BAA?

**33.29 EDAM Relationship to EIM**

EDAM Market Participants are also EIM Market Participants and the provisions in Section 29 apply in their capacity as EIM Market Participants. Operation of the Day-Ahead Market within an EDAM Entity Balancing Authority Area produces outcomes that satisfy or modify certain requirements otherwise applicable to EIM Market Participants, including a Day-Ahead Schedule that will be referenced in the Real-Time Market instead of a submitted EIM Base Schedule and an initial EIM Base Load Schedule, pools of Balancing Authority Areas for purposes of the EIM Resource Sufficiency Evaluation, and capacity and Energy transfers between Balancing Authority Areas with equal priority to Demand..

**33.30 Bids And Self-Schedule Submission**

Except as described in this Section 33.30, Scheduling Coordinators for EDAM Resources, EDAM Entities, Load Serving Entities, and other Day-Ahead Market Participants in the EDAM Area must submit Bids,

including Self-Schedules, pursuant to Section 30.

#### **33.30.1 Bids**

A Scheduling Coordinator may submit a Bid in the Day-Ahead Market for an EDAM Resource eligible to participate in the Day-Ahead Market according to the EDAM Transmission Service Provider tariff and Section 33, while Scheduling Coordinators for EDAM Resources providing Ancillary Services must submit a Bid. Each EDAM Resource must comply with the general Bid rules in Section 30 as well as the specific Bid rules based on resource type, including without limitation owners or operators of Non-Generator Resources, Convergence Bidding Entities, Demand Response Providers, and Distributed Energy Resource Providers. Consistent with Section 30 and Appendix A, references to Bids include Self-Schedules, and references to Economic Bids exclude Self-Schedules.

#### **33.30.2 Demand Bids**

Only an EDAM Entity Scheduling Coordinator or an EDAM Load Serving Entity Scheduling Coordinator authorized by the EDAM Entity Scheduling Coordinator may submit a Demand Bid within the EDAM Entity's Balancing Authority Area. For EDAM Entities that have not yet enabled convergence bidding, the CAISO will limit Demand Bids in the Day-Ahead Market to the Energy Bids from EDAM Resources within the EDAM Entity's Balancing Authority Area.

#### **33.30.3 Economic Bids at EDAM Interties**

Except for resource-specific resources with an obligation to serve Demand in the EDAM Area described in Section 33.30.8 or a designated resource associated with network integration transmission service of an EDAM Transmission Service Provider, Scheduling Coordinators may not submit Economic Bids at EDAM External Interties or EDAM Internal Interties. Scheduling Coordinators may submit Self-Schedules at any EDAM Intertie.

#### **33.30.4 EDAM Entity Access to Bid Information**

To conduct the EDAM Resource Sufficiency Evaluation pursuant to Section 33.31, an EDAM Entity will have access to Bids, without pricing information, associated with the EDAM Resources within the Balancing Authority Area it represents and at EDAM Interties with other Balancing Authority Areas.

**Commented [A25]:** Won't economic bids at CAISO interties with non-EDAM Entity BAAs continue to be permitted? The language of the draft section combined with the definition of EDAM External Intertie would appear to preclude this. Also, is it correct that economic bids at EDAM Internal Interties will not be permitted?

### **33.30.5 Start-Up and Minimum Load**

For the determination of Proxy Start-Up Costs and Proxy Minimum Load Costs, the CAISO will utilize the Market Services Charge and System Operations Charge reflected in the EDAM Administrative Charge.

**Commented [A26]:** Please explain why it is appropriate to use components of the EDAM Administrative Charge to determine Proxy Start-Up Costs and Proxy Minimum Load Costs.

### **33.30.6 RUC Availability Bids for Variable Energy Resources**

An EDAM Resource Scheduling Coordinator for a Variable Energy Resource must submit RUC Availability Bids as specified in Section 31.5.1.2 as if the Variable Energy Resource were an Eligible Intermittent Resource.

### **33.30.7 Convergence Bidding**

For all EDAM Entity Balancing Authority Areas with convergence bidding, Convergence Bidding Entities may submit Virtual Bids pursuant to Section 30.9. The CAISO will settle Virtual Bids pursuant to Section 11.3.

#### **33.30.7.1 Optional Transition Period**

For its first two years in the Day-Ahead Market, each EDAM Entity may participate in the Day-Ahead Market without Virtual Bids in its Balancing Authority Area. Alternatively, each EDAM Entity may elect to forego such a transition period and commence Day-Ahead Market participation with Virtual Bids in its Balancing Authority Area.

#### **33.30.7.2 Bidding Rules**

During the period that an EDAM Entity has not enabled convergence bidding, Load Serving Entities within the EDAM Entity Balancing Authority Area may not Bid or Self-Schedule Demand above the amount of Supply within the EDAM Entity Balancing Authority Area. The CAISO will enforce this Demand limitation based on the available Supply, accounting for the difference between Variable Energy Resource Bids and their forecasts. Forecasts will account for each Variable Energy Resource's deliverable Energy based on system conditions and input from the each EDAM Entity.

#### **33.30.7.3 Suspension or Limitation**

The CAISO has the authority to suspend or limit convergence bidding pursuant to Section 7.9. Each EDAM Entity may recommend that the CAISO suspend convergence bidding in its

Balancing Authority Area, provided that the CAISO will make the ultimate determination as to such recommendation.

**33.30.8 Bids from External Resources**

Resources located outside of the EDAM Area may participate in the Day-Ahead Market subject to certain requirements that depend on whether (a) the resource submits a Bid at an EDAM External Intertie or an EDAM Internal Intertie, (b) the intertie is with the CAISO Balancing Authority Area or an EDAM Entity Balancing Authority Area, and (c) the resource's location is specific or non-specific.

**33.30.8.1 EDAM External Interties**

A Scheduling Coordinator for a resource located outside of the EDAM Area may submit a Bid at an EDAM External Intertie with an EDAM Entity if the resource is pseudo-tied into the EDAM Entity Balancing Authority Area, is dynamically scheduled into the EDAM Entity Balancing Authority Area, or submits a Self-Schedule into the EDAM Entity Balancing Authority Area. An EDAM Entity will facilitate scheduling of export transactions from its Balancing Authority Area to EDAM External Interties pursuant to Section 33.18 and the EDAM Transmission Service Provider tariff or, in the case of the CAISO Balancing Authority Area, this CAISO Tariff. A Scheduling Coordinator for a resource located outside of the EDAM Area may submit a Bid at an EDAM External Intertie with the CAISO Balancing Authority Area in accordance with the CAISO Tariff. Economic Bids at EDAM External Interties with the CAISO Balancing Authority Area must be capable of delivery under Section 33.30.8.2 to count towards the EDAM RSE.

**33.30.8.2 Delivered Firm Energy Contracts**

Bids from delivered firm Energy contracts may participate in the Day-Ahead Market. Such firm Energy contracts include but are not limited to arrangements pursuant to Service Schedule C of the Western Systems Power Pool Agreement, CAISO resource adequacy imports, and similar forward contracted Supply. All source-specific forward contracted supply will, if possible, be modeled in the EDAM Area and, when the source cannot be identified, modeling assumptions will be made regarding the source based on the best information available. Bids at an EDAM Intertie with the CAISO Balancing Authority Area will be submitted by the Scheduling Coordinator

associated with a forward contract with a Load Serving Entity within the CAISO Balancing Authority Area.

**33.30.8.3 Non-Source Specific E-Tag Requirements.**

All Energy scheduled from non-resource-specific forward supply contracts under Section 33.30.8.2 must have a submitted E-Tag within three hours following publication of the Day-Ahead Market results. The CAISO will publish an EDAM Entity Balancing Authority Area's quantity of import Supply that does not have a Day-Ahead E-Tag for situational awareness. An EDAM Entity Scheduling Coordinator will have until 5 hours before the start of the Operating Hour to submit E-Tags and/or replace the capacity with other firm schedules or physical resources for schedules that lack a valid Day-Ahead E-Tag within the timeframe. If the EDAM Entity Scheduling Coordinator does not E-Tag the outstanding import schedules, including import EDAM Transfers, and fails to resupply by submitting additional incremental Energy Bids from internal supply EDAM Resources above the resource's Day-Ahead Schedule not encumbered by Day-Ahead capacity awards to cover the E-Tag insufficiency prior to the deadline, the CAISO will remove the EDAM Entity Balancing Authority Area from the group of Balancing Authority Areas that comprise the EDAM Upward Pool in accordance with Section 33.31.1.4.

**33.30.8.4 Non-Deliverability Risk**

If there is observed and empirical evidence of a non-deliverability risk of intertie schedules or risk of non-performance by Supply overall pursuant to Section 33.30 or Section 33.31, an EDAM Entity may introduce a confidence factor of less than 100% for its Balancing Authority Area. If there is evidence to support a non-delivery risk with cleared Economic Bids on interties for the CAISO Balancing Authority Area, the Bid-in Supply amount can be reduced by a confidence factor representing the risk of non-delivery. Once the upper-bound limit of the net EDAM Transfer export constraint is derived according to Section 33.31.3, the CAISO or the EDAM Entity may further reduce the limit for its Balancing Authority Area by an additional margin that reflects an amount of non-exportable capacity held back in anticipation of needing to respond to reliability conditions as may be permitted under applicable rules, including the CAISO Tariff.

**33.30.9 Base Schedules**

**Commented [A27]:** As drafted, this does not appear to be applicable to the CAISO. Is that intended, and, if so, why?

Second, it would appear more detail of this confidence factor may be appropriate. How should it be formulated, and what is the range of the factor? Currently, this seems entirely discretionary.

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An EDAM Entity Scheduling Coordinator that also represents an EIM Entity will not submit EIM Base Schedules and the CAISO will not provide an EIM Base Load Schedule for the EIM Entity Balancing Authority Area. Instead, the Day-Ahead Schedules for the EDAM Entity Balancing Authority Area will be used for the EIM Entity Balancing Authority Area in the Real-Time Market rather than submitted EIM Base Schedules and an EIM Base Load Schedule provided by the CAISO. EDAM Transfer schedules of Energy between Balancing Authority Areas in the EDAM Area will persist in the Real-Time Market with the corresponding Balancing Authority Areas in the EIM Area. EDAM Transfers of Energy will not be optimized in the Real-Time Market, but they will have equal scheduling priority with Demand. Day-Ahead import and export schedules at EDAM External Interties with Balancing Authority Areas in the EIM Area will also persist in the Real-Time Market and, if the import/export schedule is with another EIM Entity Balancing Authority Area, the Day-Ahead Schedule will be mirrored at the corresponding EIM Mirror System Resources for the Balancing Authority Areas in the Real-Time Market. Day-Ahead import and export schedules at EDAM External Interties will also not be optimized in the Real-Time Market, but they will have equal scheduling priority with Demand.

**33.31 Extended Day-Ahead Market Requirements**

The EDAM operates within the EDAM Area in accordance with Section 31, as supplemented by provisions in this Section 33.31. EDAM Market Participants must comply with Section 31 as applicable to their participation in the Day-Ahead Market.

**33.31.1 EDAM Resource Sufficiency Evaluation (EDAM RSE)**

The EDAM RSE tests each Balancing Authority Area in the EDAM Area, including the CAISO Balancing Authority Area, prior to the DAM and the results of the EDAM RSE serve as inputs into the DAM and EDAM with the CAISO completing the EDAM RSE before the IFM MPM.

**33.31.1.1 Timing of Advisory and Binding EDAM RSE Runs**

The CAISO produces advisory results for the EDAM RSE at approximately 6:00 a.m. and 9:00 a.m. on the day the CAISO runs the DAM for the next Trading Day; additional advisory results for the EDAM RSE will be provided consistent with the process set forth in the Business Practice Manual for the Extended Day-Ahead Market. The CAISO conducts the binding EDAM RSE after

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the Day-Ahead Market submission process closes at approximately 10:00 a.m., after the CAISO has validated Bids pursuant to Section 33.30, and immediately prior to running the Day-Ahead Market. Results of the advisory and binding EDAM RSE will be made available in accordance with the procedures set forth in the Business Practice Manual for the Extended Day-Ahead Market.

**33.31.1.2 Components of the EDAM RSE**

The EDAM RSE uses existing CAISO market models with the goal of minimizing total cost of meeting Demand and relaxing the Energy and Imbalance Reserve procurement constraints, if they cannot be satisfied, by utilizing all available Supply Bids in each Balancing Authority Area in the EDAM Area and for each hour of the Day-Ahead time horizon. The result of the EDAM RSE is the quantity of upward sufficiency or downward insufficiency for each hour in the Day-Ahead time horizon for each Balancing Authority Area in the EDAM Area. The EDAM RSE reflects the resource constraints based on registered resource characteristics in the Master File including, but not limited to, hydro resource and limited energy storage resource energy constraints, together with other available information as provided in the Business Practice Manuals, but does not enforce Transmission Constraints within each Balancing Authority Area. All internal resources in the CAISO Balancing Authority Area are eligible to be counted as supply for purposes of the EDAM RSE. Registered intertie resources are eligible for the EDAM RSE if so designated in the Master File.

**Commented [A28]:** Will the EDAM RSE consider transmission constraints at interties?

**33.31.1.2.1 Resource Sufficiency Requirements in the EDAM**

To perform the EDAM RSE, the CAISO will use the following inputs in performing the advisory runs and binding runs set forth in Section 33.31.1.1 as requirements for each Balancing Authority Area in the EDAM Area in accordance with the procedures set forth in the Business Practice Manuals, with the following requirements fixed at the time of the final binding EDAM RSE.

**33.31.1.2.1.1 Forecast Requirement**

The Demand Forecast and Variable Energy Resource forecast used in the 6:00

am and 9:00 am advisory run by the CAISO will be determined in accordance with Section 33.31.4 and the Business Practice Manual for the Extended Day-Ahead Market. The Demand Forecast and Variable Energy Resource forecast used in the final binding EDAM RSE will be the same forecasts the CAISO used in the 9:00 am advisory run, unless the timelines in the Business Practice Manual for the Extended Day-Ahead Market otherwise allow for adjustment.

**33.31.1.2.1.2 Imbalance Reserves Requirement**

The Imbalance Reserve requirement used in the 6:00 am and 9:00 am advisory run by the CAISO will be calculated in accordance with Section 33.31.3. The Imbalance Reserve requirement used in the final binding EDAM RSE will be the same requirement the CAISO used in the 9:00 a.m. advisory run unless the timelines in the Business Practice Manual for the Extended Day-Ahead Market otherwise allow for adjustment.

**33.31.1.2.1.3 Ancillary Services Requirement**

Each EDAM Entity must determine the requirements for ancillary services within its Balancing Authority Area consistent with its Balancing Authority obligations. The EDAM Entity Scheduling Coordinator must communicate the ancillary services requirements to the CAISO for use in the advisory and binding runs in accordance with the timelines set forth in the Business Practice Manuals. The ancillary services requirements used in the final binding EDAM RSE for each EDAM Entity will be the same requirement the CAISO used in the 9:00 a.m. advisory run unless the timelines in the Business Practice Manual for the Extended Day-Ahead Market otherwise allow for adjustment. The Ancillary Services requirements for the CAISO Balancing Authority Area will be determined under Section 8 and used in the final binding EDAM RSE.

**33.31.1.2.2 Transfers Between EDAM Balancing Authority Areas in Support of EDAM RSE**

The CAISO will account for EDAM Transfers that will occur between two Balancing Authority Areas in support of the EDAM RSE pursuant to Section 33.18.2.1 by transferring the EDAM RSE requirements from the importing Balancing Authority Area to the exporting Balancing Authority Area prior to performing the advisory and binding runs of the RSE in accordance with the timelines set forth in the Business Practice Manual for the Extended Day-Ahead Market.

**33.31.1.3 Performance of the EDAM Resource Sufficiency Evaluation**

The EDAM RSE will evaluate whether Supply Bids are sufficient to meet the Balancing Authority Area forecast requirements, Imbalance Reserve requirements, and ancillary service requirements described in Section 33.31.1.2 in each hour of the Day-Ahead Market for both the upward and downward directions. Supply Bids from EDAM Resources that are registered in the Master File are eligible for the EDAM RSE upon satisfaction of the process set forth in the Business Practice Manuals for the Extended Day-Ahead Market. The EDAM RSE will utilize all Supply Bids submitted in the Day-Ahead Market that are eligible for participation under Section 33.31 and validated under Section 33.30, excluding Virtual Bids, non-Participating Load Bids, and intertie transactions by resources that are not registered in the CAISO Master File.

**33.31.1.3.1 Demand Evaluation**

Each Balancing Authority Area in the EDAM Area must meet its Demand Forecast and Variable Energy Resource forecast as determined by Section 33.31.1.2.1.1.

**33.31.1.3.2 Imbalance Reserves Evaluation**

Each Balancing Authority Area in the EDAM Area must meet its Imbalance Reserve Up and Imbalance Reserve Down obligations as determined by Section

33.31.1.2.1.2.

**33.31.1.3.3 Ancillary Services Evaluation**

EDAM Resource Scheduling Coordinators must self-provide sufficient capacity in their Bid to meet the ancillary service requirements of the EDAM Entity Balancing Authority Area that are communicated to the CAISO in accordance with the process, procedures and timelines set forth in the Business Practice Manual for the Extended Day-Ahead Market. The CAISO Balancing Authority Area must meet its Ancillary Service obligations as provided in Section 8.

**33.31.1.4 Satisfaction of the EDAM RSE Requirements**

A Balancing Authority Area in the EDAM Area will pass the final binding EDAM RSE if it meets all of the requirements in Section 33.31.1.3 for each hour of the Day-Ahead Market.

**33.31.1.4.1 Inclusion in the EDAM Upward Pool**

A Balancing Authority Area which passes the final binding EDAM RSE by satisfying the upward requirements of the demand evaluation described in Section 33.31.1.3.1, the Imbalance Reserve evaluation described in Section 33.31.1.3.2, and the ancillary services evaluation described in Section 33.31.1.3.3 in each hour of the Day-Ahead Market, together with any Balancing Authority Area that cured its failure to pass the EDAM RSE in the upward direction through the IFM and incurred the applicable surcharge(s) set forth in Section 33.31.1.5, will be placed into the EDAM Upward Pool. The EDAM Entities in the EDAM Upward Pool will be collectively accounted for when performing the EIM Resource Sufficiency Evaluation, with the EDAM Upward Pool evaluated as a collective in accordance with Section 29.34(m) and not otherwise evaluated under Section 29.34(k)-(l).

**33.31.1.4.2 Inclusion in the EDAM Downward Pool**

A Balancing Authority Area which passes the final binding EDAM RSE by

satisfying the downward requirements of the demand evaluation described in Section 33.31.1.3.1, the Imbalance Reserve evaluation described in Section 33.31.1.3.2, and the ancillary services evaluation described in Section 33.31.1.3.3 in each hour of the Day-Ahead Market, together with any Balancing Authority Area that has cured its failure to pass the EDAM RSE in the downward direction through the IFM and incurred the applicable surcharge set forth in Section 33.31.1.5 will be placed into the EDAM Downward Pool. The EDAM Entities in the EDAM Downward Pool will be collectively accounted for when performing the EIM Resource Sufficiency Evaluation, with the EDAM Downward Pool evaluated as a collective in accordance with Section 29.34(m) and not otherwise evaluated under Section 29.34(k)-(l).

**33.31.1.4.3 Exclusion from the Upward and Downward EDAM Pools**

If an EDAM Entity is excluded from either the EDAM Upward Pool or EDAM Downward Pool then the EDAM Entity excluded from either the EDAM Upward Pool or the EDAM Downward Pool will be evaluated as an individual Balancing Authority Area in accordance with Section 29.34(m) and not otherwise evaluated under Section 29.34(k)-(l).

**33.31.1.5 Surcharge Upon Failure of the EDAM RSE**

A Balancing Authority Area in the EDAM Area that fails the EDAM RSE in any hour of any day and in any direction is subject to the following surcharges:

**33.31.1.5.1 EDAM RSE On-Peak Upward Failure Insufficiency Surcharge**

A Balancing Authority Area that has failed to satisfy the upward components of the EDAM RSE during the on-peak period will be subject to a three-tiered penalty structure as follows:

- (i) In a tier 1 failure, the Balancing Authority Area will be included in the EDAM Upward Pool if it experiences only a *de minimis* failure, defined as the higher of 10 MW or an amount that is less than or equal to one percent of the Balancing

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Authority Area's upward Imbalance Reserve requirement for that hour, and will not incur a surcharge.

(ii) In a tier 2 failure, the Balancing Authority Area failure is above the *de minimis* failure amount and is less than or equal to fifty percent of the Balancing Authority Area's upward Imbalance Reserve requirement and the EDAM RSE On-Peak Upward Failure Insufficiency Surcharge will be incurred as provided in Section 33.11.2.1.1.

(iii) In a tier 3 failure, the Balancing Authority Area failure is greater than fifty percent of the Balancing Authority Area's upward Imbalance Reserve requirement and the EDAM RSE On-Peak Upward Failure Insufficiency Surcharge will be incurred as provided in Section 33.11.2.1.1.

**33.31.1.5.2 EDAM RSE Off-Peak Upward Failure Insufficiency Surcharge**

A Balancing Authority Area that has failed the EDAM RSE during the off-peak period in the upward direction will pay the EDAM RSE Off-Peak Upward Failure Insufficiency Surcharge as provided in Section 33.11.2.1.2. A Balancing Authority Area that has failed the EDAM RSE in the upward direction during any off-peak hour will not pay the EDAM RSE Off-Peak Upward Failure Insufficiency Surcharge if it experiences only a *de minimis* tier 1 failure, defined as the higher of 10 MW or an amount that is less than or equal to one percent of the Balancing Authority Area's upward Imbalance Reserve requirement for that hour.

**33.31.1.5.3 EDAM RSE Downward Failure Insufficiency Surcharge**

A Balancing Authority Area that has failed the EDAM RSE in the downward direction in any hour on any day will pay the EDAM RSE Downward Failure Insufficiency Surcharge as provided in Section 33.11.2.1.3.

**33.31.1.6 Timely Submission of Tags Necessary to Remain in EDAM Pool**

A Balancing Authority Area in the EDAM Area must comply with the tagging protocols set

forth in the Business Practice Manuals to ensure imports and exports are timely tagged.

A Balancing Authority Area that fails to timely E-tag imports or exports and does not otherwise re-supply to cover for the untagged imports or exports for the operating hour following the process in the Business Practice Manual will be removed from the EDAM Upward Pool or the EDAM Downward Pool, respectively, for that Trading Hour. A Balancing Authority Area in the EDAM Area that is removed from the EDAM Upward Pool or the EDAM Downward Pool in accordance with this Section 33.31.1.6 will be evaluated as an individual Balancing Authority Area and will be allowed to share in the Diversity Benefits of the pool that it would have otherwise been a part of and as provided in Section 33.31.1.4.3.

**Commented [A29]:** Under this language, it appears possible that an inadvertent or de minimis tagging failure could trigger removal. Is that the intent? It seems preferable to revise this so there isn't a "strict liability" standard for any tagging failure.

### **33.31.2 Operation of the Day-Ahead Market in the EDAM Area**

#### **33.31.2.1 IFM MPM in the EDAM Area**

The CAISO applies the IFM MPM specified in Section 31.2 to the EDAM Area.

#### **33.31.2.2 IFM in the EDAM Area**

The IFM procures Energy and Imbalance Reserves for EDAM Entity Balancing Authority Areas but does not procure Ancillary Services. EDAM Entities must self-provide their full Ancillary Services requirements to the IFM and cannot submit Economic Bids for Ancillary Services to the IFM.

The CAISO procures Energy across the EDAM Area as specified in Section 31.3.1. The CAISO procures Imbalance Reserves across the EDAM Area as specified in Sections 31.3.1.5 and 31.3.1.6. An EDAM Resource must meet the requirements applicable to Participating Generators to be eligible for Imbalance Reserves Awards and must meet all of the RTM Bidding Obligations specified in Section 31.3.4.

#### **33.31.2.3 RUC MPM in the EDAM Area**

The CAISO applies the RUC MPM specified in Section 31.9 to the EDAM Area, except that a reference to the CAISO Forecast of BAA Demand for the CAISO refers to the total CAISO Forecast of BAA Demand for all Balancing Authority Areas across the EDAM Area.

#### **33.31.2.4 RUC in the EDAM Area**

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The CAISO procures Reliability Capacity across the EDAM Area as specified in Sections 31.5 and 31.9 with the following additional qualifications. An EDAM Resource must meet the requirements applicable to Participating Generators to be eligible for RUC Awards and must meet all of the RTM Bidding Obligations specified in Section 31.5.8. The CAISO procures Reliability Capacity across the EDAM Area as specified in Sections 31.5, except that a reference to the CAISO Forecast of BAA Demand for the CAISO refers to the total CAISO Forecast of BAA Demand for all Balancing Authority Areas across the EDAM Area.

**33.31.3 Net Export Transfer Constraint**

The Extended Day-Ahead Market will include a configurable constraint to enforce an hourly limit on the amount of net EDAM Transfer exports from a Balancing Authority Area in the EDAM Area, where the constraint limit cannot be reduced below the higher of zero or the transmission service made available to support a net export in the EDAM RSE under Section 33.18.2.1. The net export EDAM Transfer constraint limit is calculated as the available capacity of Supply Bids from resources eligible for the EDAM RSE, plus the available capacity of Supply Bids from resources not eligible for the EDAM RSE, multiplied by a configurable confidence factor, minus the EDAM RSE requirements as described in Section 33.31.1, minus a configurable non-exportable capacity margin. The CAISO or an EDAM Entity may elect to enable the constraint for its Balancing Authority Area in accordance with the timelines and procedures in the Business Practice Manual for the Extended Day-Ahead Market. If an EDAM Entity or the CAISO elects to enable the constraint, then the CAISO applies the constraint across all IFM market processes, including deployment scenarios for IRU/IRD and the RUC. Once elected, the EDAM Entity or the CAISO can choose which hours of the Operating Day for which the IFM is run will have the constraint applied.

**33.31.4 CAISO Forecast of BAA Demand for EDAM Entities**

In accordance with procedures set forth in the Business Practice Manual for the Extended Day-Ahead Market, the CAISO develops a Demand Forecast and Variable Energy Resource forecast for each EDAM Entity. This forecast constitutes the CAISO Forecast of BAA Demand for that EDAM Entity unless the EDAM Entity elects, in accordance with procedures set forth in the

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Business Practice Manual for the Extended Day-Ahead Market, to submit its own Demand Forecast. A forecast submitted by the EDAM Entity that will be utilized as the CAISO Forecast of BAA Demand must contain the average loss factors as defined in the EDAM Entity's tariff. In the case of an EDAM Entity representing a Supply-only Balancing Authority Area that elects to submit its own forecast, the average loss factor must be applied based on the EDAM Entity's Bid-in Supply. The Demand Forecast provided by the EDAM Entity that meets the procedures established in the Business Practice Manual constitutes that EDAM Entity's CAISO Forecast of BAA Demand and the Variable Energy Resource forecast provided by the EDAM Entity that meets the procedures established in the Business Practice Manual constitutes that EDAM Entity's ~~constitutes that EDAM Entity's~~ Variable Energy Resource forecast.

**33.31.4.1 Load Modification/Demand Response Programs**

An EDAM Entity may elect to adjust its CAISO Forecast of BAA Demand to account for demand response programs administered in its Balancing Authority Area that do not qualify as EDAM Resource Facilities in accordance with procedures set forth in the Business Practice Manual for the Extended Day-Ahead Market. When enabled, the EDAM Entity will enable or deploy the demand response corresponding to the adjustment of the Demand Forecast in Real-Time. The CAISO may elect to adjust the RUC Forecast to account for demand response programs administered in its Balancing Authority Area that do not qualify as EDAM Resource Facilities in accordance with the procedures set forth in the Business Practice Manual for the Extended Day-Ahead Market. The CAISO will enable or deploy the demand response corresponding to the adjustment consistent with the applicable tariff requirements for such demand response programs.

**33.31.5 Reserve Sharing Groups**

The EDAM will accommodate ancillary service requirements that are satisfied through participation in a reserve sharing group. If multiple EDAM Entity Balancing Authority Areas participate in a reserve sharing group, they must identify the transmission that will be utilized to ensure delivery of the shown reserve capacity, consistent with existing practices the entities may have in place today for delivery of the reserves. This transmission capacity will not be available

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for EDAM Transfers to ensure the deliverability of the reserve sharing obligations in the Real-Time.

**33.31.6 Interchange Schedules**

After Day-Ahead Market results are published, EDAM Entity Scheduling Coordinators must submit Interchange Schedules with other Balancing Authority Areas at the relevant EDAM Interties and must update these Interchange Schedules with any adjustments, when applicable. For each EDAM Intertie Bid that clears the IFM resulting in a 15-minute EDAM Intertie Schedule, the EDAM Entity Scheduling Coordinator must submit to the CAISO the corresponding hourly transmission profile and 15-minute Energy profiles from the respective E-Tags. The required transmission profiles and Energy profiles must reflect the Point of Receipt and Point of Delivery that was declared in the IFM Bid submittal, must be submitted at least 20 minutes before the start of the Operating Hour, and the EDAM Entity Scheduling Coordinator must provide an updated Energy profile to the extent required by Section 30.5.7.

**33.32 Greenhouse Gas**

**(a) GHG Bid Adders**

**(1) In General.** EDAM Resources and resources within the CAISO Balancing Authority Area will have an opportunity to recover costs of compliance with GHG regulations adopted by the California Air Resources Board and the Washington Department of Ecology, which may include the cost of allowances, uncertainty regarding the final resource-specific emission factor, and other costs of GHG regulation compliance.

**(2) Bid Adders.** The Integrated Forward Market will use GHG Bid Adders submitted by EDAM Resource Scheduling Coordinators for EDAM Resources located outside of a specific GHG Regulation Area to optimize the attribution of GHG Transfers into that GHG Regulation Area. The Integrated Forward Market will use GHG Bid Adders submitted by Scheduling Coordinators for resources located within the CAISO Balancing Authority Area to optimize the attribution of GHG Transfers into the GHG Regulation Area outside of the State of California. .

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For purposes of Section 33.32, GHG Regulation Areas will reflect the Nodes of the CAISO Balancing Authority Area or an EDAM Entity Balancing Authority Area within a state jurisdiction that has priced GHG emissions as part of a state carbon reduction law or regulation. EDAM Resource Scheduling Coordinators for EDAM Resources located inside a specific GHG Regulation Area will not submit GHG Bid Adders to serve Demand within that GHG Regulation Area. Scheduling Coordinators for resources located within the CAISO Balancing Authority Area will not submit GHG Bid Adders to serve Demand within the GHG Regulation Area within the State of California. In addition, resources with Pseudo-Tie arrangements or Dynamic Schedules into the CAISO Balancing Authority Area that register in the Master File that they are associated with ~~in~~ the GHG Regulation Area within the State of California will not submit GHG Bid Adders. Resources with Pseudo-Tie arrangements or Dynamic Schedules into an EDAM Balancing Authority Area that register in the Master File that they are associated with load in the GHG Regulation Area within the State of Washington will not submit GHG Bid Adders.

**(A) Bid Submission.** EDAM Resource Scheduling Coordinators for EDAM Resources located outside of GHG Regulation Areas may submit a GHG Bid Adder as a separate hourly Bid component specific to each GHG Regulation Area to recover costs of compliance with GHG regulations adopted by a state jurisdiction that has priced GHG emissions as part of a state carbon reduction law or regulation.

Scheduling Coordinators for resources located within the CAISO Balancing Authority Area may submit a GHG Bid Adder as a separate hourly Bid component to recover costs of compliance with GHG regulations adopted by the Washington Department of Ecology.

GHG Bid Adders will consist of a price and MW quantity. The price included in the GHG Bid Adder will not be less than \$0/MWh and not greater than 110% of the resource's GHG maximum compliance cost as determined in accordance with Section 33.32(a)(3).

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**(B) Default Treatment.** If an EDAM Resource Scheduling Coordinator for an EDAM Resource located outside of a GHG Regulation Area does not submit a GHG Bid Adder to serve Demand within a specific GHG Regulation Area, the Integrated Forward Market will not attribute the EDAM Resource as supporting a GHG Transfer into that specific GHG Regulation Area.

If a Scheduling Coordinator for a resource located within the CAISO Balancing Authority Area does not submit a GHG Bid Adder to serve Demand within a GHG Regulation Area located outside of the State of California, the Integrated Forward Market will not attribute the resource as supporting a GHG Transfer into that specific GHG Regulation Area.

**(3) Determination of Maximum GHG Cost.** The CAISO will calculate a maximum daily GHG Bid Adder for each EDAM Resource and each resource located within the CAISO Balancing Authority Area in relation to GHG Regulation Areas, as applicable, based on the resource's average heat rate, the applicable GHG Allowance Price, and the resource's applicable emission rate. The CAISO will also provide for an option for resources to negotiate a maximum GHG Bid Adder for each GHG Regulation Area.

**(4) GHG Bid Adder Price.** The price included in the GHG Bid Adder will not be less than \$0/MWh and the sum of the GHG Bid Adder price and the Energy Bid price cannot exceed the Soft Energy Bid Cap or Hard Energy Bid Cap, as applicable.

**(b) Consideration of GHG Bid Adders in Market Clearing.**

**(1) Dispatch of Resources with Nonzero Bid Adders.** The Integrated Forward Market will take into account GHG Bid Adders in selecting Energy produced by EDAM Resources located outside of a specific GHG Regulation Area up to the associated MW quantity included in the GHG Bid

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Adder to serve Demand within that GHG Regulation Area.

The Integrated Forward Market will take into account GHG Bid Adders in selecting Energy produced by resources located within the CAISO Balancing Authority Area up to the associated MW quantity included in the GHG Bid Adder to serve load Demand in the GHG Regulation Area located outside of the State of California.

The Integrated Forward Market will not consider GHG Bid Adders when selecting EDAM Resources to serve Demand outside of GHG Regulation Areas.

**(2) GHG Bid Adder MW Quantity.** The Integrated Forward Market will limit the maximum GHG Bid Adder MW quantity of an EDAM Resource that is outside of a GHG Regulation Area to a value equal to the resource's dispatchable Bid range between the resource's GHG counterfactual schedule and the resource's effective upper Economic Bid, considering any applicable derates and Ancillary Services capacity reservations, for the relevant Operating Hour. The Integrated Forward Market will limit the maximum GHG Bid Adder MW quantity of a resource located within the CAISO Balancing Authority Area to serve load within a GHG Regulation Area outside of the State of California to a value equal to the resource's dispatchable Bid range between the resource's GHG counterfactual schedule and the resource's effective upper Economic Bid, considering any applicable derates and Ancillary Services capacity reservations, for the relevant Operating Hour.

**(3) GHG Reference Pass.** The GHG reference pass runs before the Integrated Forward Market. The GHG reference pass uses Day-Ahead Bids and Self-Schedules of resources to optimally clear Supply and Demand Bids without GHG Transfers into GHG Regulation Areas. The GHG reference pass establishes GHG counterfactual reference for resources to determine what Dispatch would have occurred without GHG Transfers into GHG Regulation Areas.

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The GHG reference pass will not schedule capacity located outside of a GHG Regulation Area obligated or contracted to serve Demand within a GHG Regulation Area as registered with the CAISO, thereby allowing this capacity to support a GHG Transfer into a GHG Regulation Area in the Integrated Forward Market.

Resources with Pseudo-Tie arrangements or Dynamic Schedules into a Balancing Authority Area that includes a specific GHG Regulation Area will register in the Master File whether they are associated with Demand in the GHG Regulation Area. The GHG reference pass will not schedule Pseudo-Tie or dynamically scheduled resources to serve Demand outside of a specific GHG Regulation Area if they are treated as internal to that GHG Regulation Area.

**(4) Dispatch of Resources with Bid Adders of Zero.** The Integrated Forward Market will not dispatch resources located outside of a GHG Regulation Area for delivery into a GHG Regulation Area if the MW quantity included in the GHG Bid Adder is zero.

**(c) GHG Marginal Price.** The Integrated Forward Market will, taking into account Energy Bids and GHG Bids, optimally select resources located outside of a GHG Regulation Area to support GHG Transfers into a GHG Regulation Area until the total MW of GHG Transfers into the respective GHG Regulation Area is fully allocated. The Shadow Price of this allocation constraint is the Marginal GHG Cost for the respective GHG Regulation Area.

**(d) Compensation.** When the Integrated Forward Market attributes a resource located outside of a GHG Regulation Area to support a GHG Transfer to serve Demand in a GHG Regulation Area, the EDAM Resource Scheduling Coordinator or Scheduling Coordinator for the resource will receive a payment equaling the product of the GHG Transfer to a GHG Regulation Area attributed to the resource in the IFM and the IFM Marginal GHG Cost for that respective GHG Regulation Area.

**33.32.1 Additional Constraints**

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**(a) Limit by Energy Schedule.** The total attribution for any EDAM Resource or resource located in the CAISO Balancing Authority Area to serve Demand in GHG Regulation Areas in any Trading Hour will not exceed the resource's Day-Ahead Energy Schedule for that Trading Hour.

**(b) GHG Net Export Constraint.** The CAISO will apply an hourly GHG net export constraint in the Integrated Forward Market for EDAM Entity Balancing Authority Areas that do not overlap with a GHG Regulation Area. This constraint will limit the aggregate attribution of EDAM Resources within a specific EDAM Entity Balancing Authority Area such that the aggregate attribution does not exceed the net exports from that EDAM Entity Balancing Authority Area. This constraint will not restrict the Integrated Forward Market from attributing capacity located outside of a specific GHG Regulation Area that is either obligated or contracted to serve Demand within that GHG Regulation Area as registered with the CAISO. This constraint will also limit the aggregate attribution of GHG Transfers to resources within Balancing Authority Areas located with the State of California to serve Demand in the GHG Regulation Area within a GHG Regulation Area outside of the State of California such that the attribution may not exceed the net exports from ~~the~~ these Balancing Authority Areas. The CAISO will not enforce this constraint for any Balancing Authority Area in the EDAM Area and in any Trading Hour in which the CAISO Balancing Authority Area or an EDAM Entity Balancing Authority Area with Demand in a GHG Regulation Area is deficient in the upward direction in the EDAM Resource Sufficiency Evaluation.

**33.32.2 Data Availability**

**(a) Notification.** The CAISO will notify an EDAM Resource Scheduling Coordinator through the results of the Integrated Forward Market of the MW quantity of any Energy of an EDAM Resource located in an EDAM Entity Balancing Authority Area outside of a specific GHG Regulation Area that supports a GHG Transfer to serve Demand in that GHG Regulation Area. The CAISO will notify the Scheduling Coordinator for a resource

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located in the CAISO Balancing Authority Area through the results of the Integrated Forward Market of the MW quantity of any Energy of a resource outside of a specific GHG Regulation Area that supports a GHG Transfer to serve Demand in that GHG Regulation Area.

**(b) Disclosure.** The CAISO may disclose information related to GHG Transfers to the California Air Resources Board and the Washington Department of Ecology, so long as such information does not disclose confidential information of any individual Market Participant.

**33.33 [Not Used]**

*[Section 33 is not used and Section 33.33 will not be used as part of EDAM.]*

**33.34 [Not Used]**

*[Section 34 includes the Real-Time Market rules applied to the Extended Day-Ahead Market pursuant to Section 29.34, and Section 33.34 will not be used in Section 33.]*

**33.35 Market Validation And Price Correction**

The market validation and price correction provisions of Section 35 apply to the EDAM, except that, for a period not to exceed 180 days after an EDAM Entity Implementation Date, the time allowed for the CAISO's correction of Day-Ahead Market prices will be 10 Business Days.

**33.36 [Not Used]**

*[Congestion Revenue Rights are not included in the EDAM, and the provisions of Section 36 will not apply to EDAM Market Participants.]*

**33.37 Rules Of Conduct**

All EDAM Market Participants will be subject to the provisions of Section 37 except for Section 37.2 and Section 37.4 to the extent it applies to Maintenance Outages.

**33.38 Market Monitoring**

The CAISO Department of Market Monitoring is the market monitor for the EDAM and holds the same duties towards the EDAM as it holds under Appendix P, Section 5 towards the other CAISO Markets.

Any referral to FERC of a potential Market Violation or market design flaw will be made under the procedures established in Appendix P, Section 11 and Appendix P, Section 12, respectively. The

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obligations the CAISO holds towards the Department of Market Monitoring under Appendix P, Sections 3 and 4 apply equally to the Department of Market Monitoring in its role as market monitor for the EDAM. The CAISO Market Surveillance Committee holds the same duties towards the EDAM as it holds under Appendix O, Section 5 towards the CAISO Markets.

**33.39 Local Market Power Mitigation**

The CAISO applies the Local Market Power Mitigation procedures set forth in Section 39.7 to the Extended Day-Ahead Market and uses the methods and standards for setting Default Energy Bids and Default Availability Bids in the Extended Day-Ahead Market as set forth in Section 39.7.

**33.40 [Not Used]**

*[Section 40 is currently not used in the CAISO tariff Section 33.19 will similarly not be used.]*

**33.41 [Not Used]**

*[Section 41 is currently not used in the CAISO tariff Section 33.41 will similarly not be used.]*

**33.42 [Not Used]**

*[Section 42 is currently not used in the CAISO tariff Section 33.42 will similarly not be used.]*

**33.43 [Not Used]**

*[Section 43 is currently not used in the CAISO tariff Section 33.43 will similarly not be used.]*

**33.44 Flexible Ramping Product**

The CAISO procures the Flexible Ramping Product in the EDAM Area as set forth in Section 44.