



California ISO

Extended Day Ahead Market
Working Group 2 Weekly Report

Week 3 Report
1/17/22 – 1/21/22

Progress Tracker

Topic	Schedule
Transmission Availability	
Definition of “buckets”	Jan 6 - 27
Types of transmission made available	Jan 11-27
Transmission overlap or RSE	Jan 11-27
Third party reserved transmission	Jan 11-27
How unused transmission can be made available	Jan 11-27
Utilization of transmission internal EDAM entity network	Jan 11-27
Timing and Duration	
Timing and duration transmission is made available	Feb 1-3
Transmission Unavailability	
Consequences if available in EDAM but not in RT	Feb 8-10
Reliability or cost allocation concerns	Feb 8-10
Compensation	
Compensation of transmission made available	Feb 15-22
Congestion Rent Allocation	
Congestion rent allocated between BAAs	Feb 24-Mar 3
Distribution of congestion rent from BAA to LSE/customers	Feb 24-Mar 3
External Resource Participation	
Facilitation of Intertie bidding/external resource participation	Mar 15-22

Weekly Discussion

January 18

Scope Items Discussed: Transmission availability

Presenters: Cathleen Colbert – Vistra

Discussion:

The objective of this meeting was to review the various sources of transmission capacity and the creation of buckets. Cathleen Colbert gave a presentation on an alternative to the 3 bucket types, including allowing non-firm transmission in EDAM.

Cathleen's presentation is posted on the EDAM working group #2 webpage. There was a discussion around the following topics:

- Background context – FERC order no. 888 and open access
- Foundation goals
- Transmission types
- Pre day-ahead scheduling requirements

Stakeholders were given to opportunity to ask Cathleen clarifying questions and vet her proposal ideas. While no changes were made to the scoping document during the meeting, there was a lot of information covered that will be useful for future meetings.

Transmission availability was the next scope item discussed. What types of transmission can be made available to the market and when? The discussion started by reviewing bucket 1 transmission. There was agreement that this type of transmission is acquired in advance at OATT rates, with a plan to serve load and meet resource sufficiency. There still is still room to develop a process for highest firm transmission to allow for Existing Transmission Contracts or Transmission Ownership Rights within the EDAM BAA as needed.

Conclusion:

While there was not enough time to get to a discussion of the other buckets, there is some consensus developing around the idea of buckets and a general agreement on how bucket 1 would be made available and optimized by the market.

George Angelidis from the CAISO will be giving a presentation at the next meeting on transmission products and protection for existing contracts in EDAM.

January 20

Scope Items Discussed: Transmission availability

Presenters: George Angelidis – CAISO

Discussion:

The objective of this meeting was to review the various sources of transmission capacity and the creation of buckets. George Angelidis from the CAISO gave a presentation on Transmission Products and Contracts in EDAM.

George's presentation is posted on the EDAM working group #2 webpage. There was a discussion around the following topics:

- How transmission products can be used in RSE, IFM, and RUC
- What is transfer revenue and how it is collected
- EDAM schedules and transfers in EIM
- How contracts are currently supported with physical and/or financial rights
- How transmission contracts can be supported in EDAM and EIM

George's presentation went over how transfers could be registered using Master File. Some information would need to be registered including; intertie type, commodity used for the transfer (energy, Imbalance Reserve Up ("IRU"), Imbalance Reserve Down ("IRD"), Regulation Up ("RU"), Regulation Down ("RD") etc.), transmission owners, ownership percentage, usage fee, and option to be used in RUC. Stakeholders had a lot of questions on how this would work. Some stakeholders requested flexibility, and the option to move transmission from bucket 1 to bucket 2. How often they would be able to do this is still up for discussion. Other stakeholders suggested being able to bid discounted transmission rate for bucket 3 should be an option versus having to register the rate in advance. This idea was added to scope of items to be discussed during compensation.

George went over an example on how transfer revenue could be collected in EDAM when there is a price separation between two EDAM BAAs. The transfer revenue would go to the transmission rights holder, either the Transmission Owner/Customer depending upon the terms of the agreement.

EDAM resource and transfer schedules in EIM were also discussed. EDAM schedules and transfers would roll over to EIM as base schedules automatically, no need to submit them into EIM.

Existing transmission contracts and how they would be registered, validated, and ultimately supported was the last topic for discussion. Contracts could be registered using Master File. Source/sink resources, contract paths, type, maximum capacity, and expiration would be a few of the items registered. Once registered the owner would have the option to exercise the contract by self-scheduling on it, or not exercise the contract by submitting economic bids, or even not exercise the contract and not submit bids or self-schedules. If the contract is not exercised in EDAM, it would still be honored in EIM and the real-time market would re-dispatch to allow for the existing contract rights. This is existing functionality within the CAISO that could be extended to EDAM participants.

Conclusion:

George's presentation generated a lot of questions and discussion from stakeholders. Some topics were added to the scope document to be discussed in further depth at a future meeting, including flexibility to move between buckets, and bidding in discounted transmission from bucket 3. The January 25th meeting will begin with George responding to questions on his presentation.