



## Submit comment on Draft tariff language

Initiative: Extended day-ahead market

### **1. Please provide a summary of your organization's comments on the Extended Day-Ahead Market draft tariff language:**

Western Resource Advocates and Sustainable FERC Project (Public Interest Organizations "PIOs") appreciate the opportunity to respond to and comment on the Extended Day Ahead Market (EDAM) Draft Tariff Language. We view EDAM as an integral next step to achieving a full RTO in the West, and support CAISO in its efforts to get the day-ahead market implemented in a timely manner. PIOs support an EDAM that will encourage maximum participation of transmission and generation in the market. In line with this principle, we provide several comments and requests for clarification on Section 33 of the EDAM Draft Tariff Language.

In addition to these comments, PIOs have a broader request to CAISO regarding items that will not be included in the Tariff. Should certain policy provisions be excluded (such as the policy design discussed in Question #5 to hold transmission customers harmless, to the extent possible, from transfer and congestion costs), PIOs request that CAISO host a workshop following the Tariff submission to the CAISO Board and EIM Governing Body to discuss with stakeholders why the policy provision was excluded from the EDAM tariff.

### **2. Provide any redline changes and embedded comments on Section 11 - CAISO Settlements and Billing as an attachment to this comment template, and provide any additional comments on Section 11 - CAISO Settlements and Billing in the text box below: \***

When providing additional comments in the text box below, please specify the section(s) your comments refer to.

### **3. Provide any redline changes and embedded comments on Section 27 - CAISO Markets and Processes as an attachment to this comment template, and provide any additional comments on Section 27 - CAISO Markets and Processes in the text box below: \***

When providing additional comments in the text box below, please specify the section(s) your comments refer to.

### **4. Provide any redline changes and embedded comments on Section 29 - Energy Imbalance Market as an attachment to this comment template, and provide any additional comments on Section 29 - Energy Imbalance Market in the text box below: \***

When providing additional comments in the text box below, please specify the section(s) your comments refer to.

**5. Provide any redline changes and embedded comments on Section 33 - Extended Day-Ahead Market as an attachment to this comment template, and provide any additional comments on Section 33 - Extended Day-Ahead Market in the text box below: \***

When providing additional comments in the text box below, please specify the section(s) your comments refer to.

Transmission availability is foundational to integrating clean energy resources in the day-ahead market and maximizing the benefits of the market. PIOs comments on Section 33 of the Draft Tariff Language focus on ensuring the market design addresses foundational issues that transmission service providers may have, thereby creating a market platform that is appealing to potential participants. Our comments focus on three discrete sections of the Draft Tariff: (1) Section 33.18.2.2, (2) Section 33.18.2.2.3, and (3) Section 33.23.

- **Section 33.18.2.2 – Transmission Not Used for Resource Sufficiency**

PIOs are concerned that some of the language used in, and structure of, Section 33.18.2.2 could restrict transmission availability and/or reduce the efficiency of the market. Currently, the Tariff language does not appear to provide a path for generators (or other transmission customers of Transmission Service Providers) that have transmission rights across an EDAM BAA to have their transmission used to support Resource Sufficiency. This is because, as the tariff is currently written, these transmission customers can't convey their transmission for Resource Sufficiency using the provisions of "Bucket 2" transmission. This restriction could create challenges with the Resource Sufficiency Evaluation for entities that have contracted with off-system generators in another EDAM BAA and would like to use the generation, and associated transmission rights, to fulfill Resource Sufficiency requirements. The inability to use these transmission rights (under Bucket 2) for Resource Sufficiency could lead to inefficiencies in the market and should be remedied.

- **Recommendation:** PIOs ask CAISO to clarify how a generator in an EDAM BAA that is contracted to an LSE in a different EDAM BAA could get the RSE credit for their resource's attributes transferred to the EDAM BAA where the offtaker is located. We recommend CAISO evaluate modifications to Bucket 2 (Section 33.18.2.2) to ensure this can be achieved by a transmission customer within an EDAM BAA.

- **Section 33.18.2.2.3 – Submit a Late (or No) Transmission Schedule**

In our comments on the EDAM Draft Final Proposal, the Public Interest Organizations offered support for the design to hold transmission customers harmless, to the extent possible, from Transfer and Congestion Costs. We believed this to be a workable solution to maximize support for EDAM, while minimizing the impacts from potential redispatch costs and maintaining the value of existing transmission rights. Given our support for this design element, PIOs are concerned that CAISO does not appear to have included, in this section or any other, language implementing this provision in the Draft CAISO Tariff.

- **Recommendation:** PIOs suggest language supporting this policy provision be included in the Tariff. We also encourage CAISO to continue engaging with stakeholders on this topic, as we expect additional discussions will be needed to develop the details for implementation of this proposal by individual EDAM Entities.

- **Section 33.23 – Transmission Service Requests**

As a lingering policy issue, PIOs suggest further discussions on potential modifications to this section. Those discussions could consider whether it is appropriate for there to be a new

requirement for all EDAM entities to use an hourly transmission charge in the case that transmission service requirements detailed in Section 33.23(a), 33.23(b), or 32.23(c) are not met. This could include a requirement for EDAM Entities to use (and develop if necessary) an hourly charge would ensure there is a consistent application of transmission charges across the market. This approach would avoid the potential inefficiencies and unintended consequences that may result from a patchwork application of hourly or daily firm transmission charges across different EDAM BAAs, which may occur under the current tariff language and policy design.

- **Recommendation:** PIOs urge CAISO to hold a workshop to deliberate on whether they should include in the Tariff a requirement for EDAM Entities to develop an hourly transmission charge to apply in these cases.

**6. Provide any redline changes and embedded comments on Appendix A - Definitions as an attachment to this comment template, and provide any additional comments on Appendix A - Definitions in the text box below: \***

When providing additional comments in the text box below, please specify the section(s) your comments refer to.

**7. Provide any redline changes and embedded comments on Appendix B.XX - Addendum to EIM Entity Agreement as an attachment to this comment template, and provide any additional comments on Appendix B.XX - Addendum to EIM Entity Agreement in the text box below: \***

**8. Provide any redline changes and embedded comments on Appendix B.XX - Addendum to EIM Entity Scheduling Coordinator Agreement as an attachment to this comment template, and provide any additional comments on Appendix B.XX - Addendum to EIM Entity Scheduling Coordinator Agreement in the text box below: \***

**9. Provide any redline changes and embedded comments on Appendix B.XX - Addendum to EIM Participating Resource Agreement as an attachment to this comment template, and provide any additional comments on Appendix B.XX - Addendum to EIM Participating Resource Agreement in the text box below: \***

**10. Provide any redline changes and embedded comments on Appendix B.XX - Addendum to EIM Participating Resource Scheduling Coordinator Agreement as an attachment to this comment template, and provide any additional comments on Appendix B.XX - Addendum to EIM Participating Resource Scheduling Coordinator Agreement in the text box below: \***

**11. Provide any redline changes and embedded comments on Appendix B.XX - Entity Implementation Agreement as an attachment to this comment template, and provide any additional comments on Appendix B.XX - Entity Implementation Agreement in the text box below: \***

**12. Provide any redline changes and embedded comments on Appendix B.XX - Load Serving Entity Agreement as an attachment to this comment template, and provide any additional comments on Appendix B.XX - Load Serving Entity Agreement in the text box below: \***

**13. Provide any redline changes and embedded comments on Appendix C - Locational Marginal Price as an attachment to this comment template, and provide any additional comments on Appendix C - Locational Marginal Price in the text box below: \***

When providing additional comments in the text box below, please specify the section(s) your comments refer to.

**14. Provide any redline changes and embedded comments on Appendix F - Rate Schedules as an attachment to this comment template, and provide any additional comments on Appendix F - Rate Schedules in the text box below: \***

When providing additional comments in the text box below, please specify the section(s) your comments refer to.

**15. Provide any additional comments on the Extended Day-Ahead Market draft tariff language:**