Extended Day Ahead Market (EDAM) Initiative Briefing

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General Session
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Harnessing benefits of a day-ahead market in the West

**Economic**
- Optimized unit commitment in day ahead timeframe across footprint
- Operational and capacity benefits

**Reliability**
- Confidence in transfers
- Improved operational coordination

**Environmental**
- Enhanced tracking and accounting greenhouse gas emissions
- Respecting state policies
Continuing to evolve the EDAM Design

Day Ahead Resource Sufficiency
Each entity must bring sufficient supply to reliably serve its load.

Transmission Availability to EDAM
Transmission customers and providers bring transmission to support transfers.

Day Ahead Market Structure
Different market components ensure optimized, efficient, commitment of generation.

Confidence in Market Transfers
Design features contribute to collective confidence that transfers can be relied upon in stressed conditions.

Greenhouse Gas (GHG) Accounting
Framework for accounting for GHG emissions under different western regulatory programs.

Settlements
All transactions emerging from the day ahead market are settled.
EDAM Resource Sufficiency Evaluation

- Resource sufficiency evaluation tests ensures that each EDAM entity has sufficient supply to meet its load, uncertainty, and ancillary service obligations.
- Supply used to demonstrate resource sufficiency is offered into the market.
  - Diverse pool of supply to optimize resource commitment and energy transfers across footprint.
  - Robust supply pool contributes to responding to changes in grid conditions.
- Consequences for failing the day-ahead resource sufficiency evaluation incentivize forward procurement to derive benefits of the market.
  - Tiered consequence structure includes financial and practical implications of failing the sufficiency evaluation.
Transmission Availability in EDAM

• Design seeks to maximize transmission availability in EDAM while respecting exercise of transmission rights.
  – Seeking to harmonize OATT design with organized market use of transmission.

• Transmission customers and transmission providers make transmission available to support robust transfers.
  – Pathways, or options, for how transmission customers can make transmission available to EDAM.
  – Transmission provider makes unsold transmission available for optimization.

• Design provides for transmission revenue requirement (TRR) recovery through EDAM to keep participating entities whole.
Greenhouse Gas (GHG) Accounting in EDAM

• Design proposes a resource-specific approach to GHG accounting for commitment and dispatch of resources to serve load in states with GHG emissions and pricing policies.

• The resource-specific approach is currently implemented in the WEIM, and would be extended to EDAM with limited enhancements.

• Commitment to continue to evaluate and evolve the GHG accounting design as the market evolves.
  – Continued coordination with state regulators and stakeholders.
### Upcoming EDAM Milestones

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<tr>
<th>Date</th>
<th>Event</th>
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<tbody>
<tr>
<td>October 28</td>
<td>Publication of Draft Final Proposal</td>
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<td>November 7</td>
<td>Publish Draft Tariff Framework</td>
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<td>December 7</td>
<td>Publish Final Proposal</td>
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<td>December 14</td>
<td>Briefing to ISO Board and WEIM GB</td>
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<td>Jan/Feb 2023</td>
<td>Decision (Joint Authority)</td>
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- **Q1 2023** Draft tariff publication and stakeholder process
- **Q2 2023** FERC filing
- **Fall 2023** Implementation Activities

**EDAM Go-Live Target Coordinated with Interested Entities**