Extended day-ahead market transmission discussion

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Transmission Availability in EDAM

• The design seeks to maximize the transmission made available to the EDAM to efficient transfers between participating balancing areas, while respecting existing transmission rights.

• Seeking to harmonize the OATT framework with the organized market where all transmission is available for optimization.

• Under the design, transmission customers and transmission providers make transmission available to the EDAM.

• Design also provides framework for historical transmission revenue recovery by EDAM transmission providers reflecting the potential for reduced transmission sales.
Transmission Availability - Overview

Bucket 1 Transmission
- Firm, Conditional Firm PTP; NITS
- Supports delivery of supply across EDAM interfaces for RSE purposes
- Made available by Transmission Customer by 10:00 a.m. (day-ahead)
- Eligible for accrual of transfer revenue

Bucket 2 Transmission
- Firm, Conditional Firm PTP
- In excess of transmission needed to support RSE (excess transmission)
- Availability to market depends upon pathway chosen
- Eligible for accrual of transfer revenue

Bucket 3 Transmission
- Unsold Firm ATC
- Made available by Transmission Provider by 10:00 a.m. (day-ahead)
- Historical revenue recovery through EDAM
- Eligible for accrual of transfer revenue
Transmission Customer Rights – Supporting EDAM Transfers

• The EDAM will support exercise of OATT transmission rights held by transmission customers.

• Pathway 1 – exercise of existing transmission right through day-ahead market.
  – Submission of self scheduled, associate with transmission rights.
  – Accrued transfer revenue settled with EDAM entity

• Pathway 2 – release transmission rights to EDAM by 9 a.m. day ahead.
  – Accrued transfer revenue is settled with ISO directly

• Pathway 3 – unscheduled transmission by 10 a.m. is made available to the EDAM to optimize transfers
  – Transmission customer can exercise their previously unscheduled transmission rights
  – Market will re-dispatch to accommodate use of rights
  – Accrued transfer revenue settled with EDAM entity
Other Design Elements

• Transmission between EDAM and Non-EDAM BAAs
  – Recognizes the need for transmission customers to exercise rights to meet RA, reliability or other contractual obligations
  – Ability to indicate to market, by 9am day ahead, of intent to exercise transmission rights and the market will seek to re-dispatch and afford high priority to these transactions

• Historical transmission revenue recovery through EDAM
  – Associated with potential reductions in monthly, weekly, daily and hourly short-term product sales; a portion of new transmission upgrades that increase transfer capability; wheel through transfer volumes exceeding import/export transfers
Transmission Requirement

• Resources in an EDAM balancing area need to:
  – Be a designated network resource under terms of OATT; or
  – Reserve firm point to point transmission service (long term or short term), or otherwise hold a legacy transmission contract

• If transmission has not been reserved in advance, the EDAM entity transmission provider will assess a transmission charge based on the lowest duration of firm point to point transmission service established by the OATT
  – If daily firm point to point transmission – assess a charge based on the single highest dispatch hour of the resource (to the extent sufficient transmission not reserved)
  – If hourly firm point to point transmission – assess a charge potentially on hourly basis based on resource dispatch amount (if sufficient transmission not reserved)