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Development of extended day-ahead market reaches milestone

Tariff provisions on market design and enhancements filed with FERC

FOLSOM, Calif. – The California Independent System Operator (ISO) has taken another significant step toward development of an extended day-ahead market (EDAM) for California and the West, filing the necessary proposed tariff changes Tuesday with the Federal Energy Regulatory Commission (FERC).

Designed to support reliability and greater efficiency through the wide-area balancing of electric supply and demand across the Western United States, yesterday's filing is the result of extensive stakeholder engagement. Participants have included energy providers, public utility commissions, and a variety of different entities representing various interests and points of view throughout the Western Interconnection.

The [single FERC filing](#) addresses two separate but closely related initiatives - rules for a day-ahead market platform that could extend across the West, and proposed rule changes to the ISO's current day-ahead market that serves approximately 80 percent of California and a small portion of Nevada. Among other things, these rules propose a day-ahead market feature that further commits much needed flexible energy supply to efficiently and reliably address changes that occur between day-ahead and real-time market conditions.

The proposed tariff changes will expand access to wholesale energy markets in the West, with participants being able to realize lower costs to ratepayers from balancing the most efficient supply across a broader geographic footprint. The tariff changes would also increase reliability benefits from greater situational awareness and advance the integration of clean energy resources by allowing participants to share surplus carbon-free power across a diverse Western footprint.

“Filing the EDAM tariff with FERC is an important milestone for the CAISO and our partners across the West,” said Elliot Mainzer, president and CEO of the California ISO. “EDAM and the day-ahead market enhancements will build on the success of the Western Energy Imbalance Market and go even further in lowering costs and improving reliability for electricity customers throughout the region. I am grateful for the strong engagement and participation from the diverse group of stakeholders who worked tirelessly to help shape and refine these tariff provisions.”

The ISO has requested a FERC order on the proposals by December 21, 2023.

The Western Energy Imbalance Market has generated more than \$4.2 billion in cumulative benefits since its launch in 2014 through greater Western collaboration and coordination. WEIM has also made it easier to move energy around among market participants when and where it's most needed in real-time, providing a boost to system reliability, especially during periods of extreme weather and high demand.

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The California Independent System Operator (ISO) is a nonprofit public benefit corporation dedicated, with its partners, to continuous improvement and secure operation of a reliable grid operated for the benefit of consumers. It provides comprehensive grid planning, open and nondiscriminatory access to one of the largest networks of high-voltage transmission power lines in the world, and operates a \$9 billion competitive electricity market. Recognizing the importance of the global climate challenge, the ISO is at the forefront of integrating renewable power and advanced technologies that will help provide a sustainable energy future efficiently and cleanly.

The Western Energy Imbalance Market (WEIM) is a real-time wholesale energy trading market that enables participants anywhere in the West to buy and sell energy when needed. The WEIM Governing Body is the governing authority designed by regional stakeholders and has shared authority with the ISO Board of Governors to resolve rules specific to participation in the WEIM.