



# Extended Day-Ahead Market Working Group 2: *Transmission Commitment and Congestion Rent Allocation*

Facilitator: Deb Le Vine

Scribe: Emily Hughes

February 3, 2022

Meeting Cadence: Tuesdays and Thursdays, 9 – 11 a.m.

## *EDAM Working Groups – Meeting Schedule Weeks of Jan 31 and Feb 7*

- **Week of Jan 31:**

- Jan 31, 1 – 3 p.m. Working group 1
- Feb. 1, 1 – 3 p.m. Working group 3
- Feb. 3, 9 – 11 a.m. Working group 2

- **Week of Feb. 7:**

- Feb. 7, 1 – 3 p.m. Working group 1
- Feb. 8, 1 – 3 p.m. Working group 3
- Feb. 10, 9 – 11 a.m. Working group 2

**Note:** Working groups will return to original cadence the week of Feb 14.

## Reminders:

- These collaborative working groups are intended to foster open dialogue and sharing of ideas and perspectives
- Please raise your hand if you have a question or comment at any time during the meeting and the facilitator will call on you
  - Please start by stating your name and affiliation
- Meetings are recorded and video files posted on corresponding working group webpages
- Stakeholders are welcome to present perspectives at these meetings
  - Please submit a request to present using the link located on the EDAM Resources slide at the end of this presentation

# Agenda:

<b>Time:</b>	<b>Topic:</b>	<b>Presenter:</b>
9:00 - 9:05	Welcome/introductions	Elizandra Casillas
9:05 - 9:15	Today's Objectives OATT and non-OATT Rights	Deb Le Vine
9:15 – 10:55	Transmission Revenue Distribution	James Lynn
10:55 - 11:00	Upcoming topics	Deb Le Vine

# Today's Objectives

- Still working on examples and want them to be complete
  - A mix of OATT and non-OATT rights across multiple EDAM BAAs and imports from or exports out of EDAM BAAs to non-participating EDAM BAAs
  - Moving discussion to next Thursday 2/10
- Focused discussion on congestion rent compensation framework for Bucket 2 transmission
  - OATT and non-OATT rights (transfer rights) voluntarily made available in return for congestion rents
  - Review of detailed scenarios and allocation concepts
- Consideration of potential additional or different compensation frameworks for OATT and non-OATT rights made available to EDAM for optimization

# OATT and non-OATT Rights and Re-dispatch

- The EDAM relies upon transmission rights and capability being made available to support optimization through DA transfers
- Two key topics will need to be discussed more in depth:
  1. How OATT and non-OATT rights of different duration, can be made available to the market for optimization (Bucket 1 and 2)
  2. Implications of OATT and non-OATT rights being utilized by the rights holder between DA and RT, and the associated market re-dispatch needed to accommodate that use



# EDAM Transfer Revenue Discussion

James Lynn

Senior Advisor – Market Settlement Design

February 3<sup>rd</sup>, 2022

# Agenda

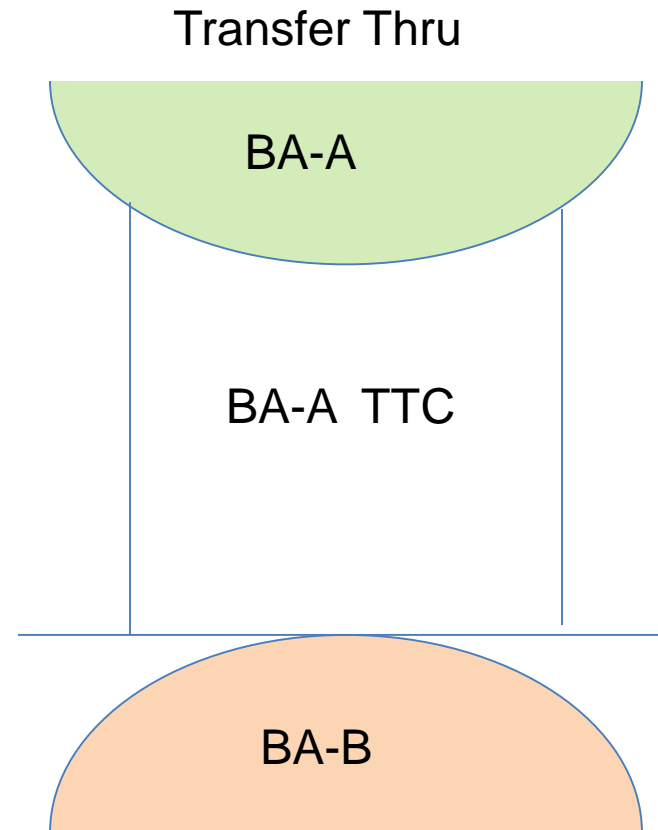
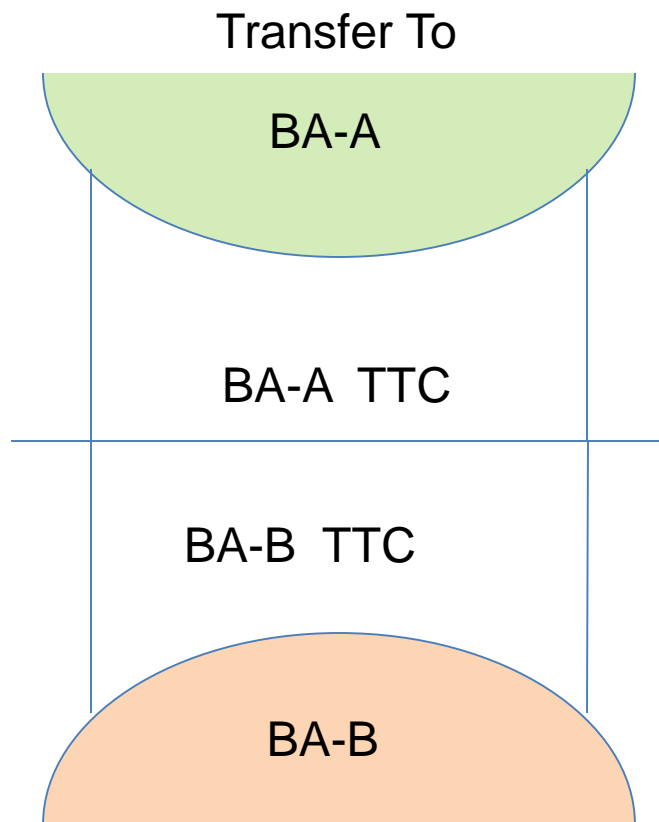
- What is a EDAM Transfer?
- Transfer To vs Transfer Thru
- What is Transfer Revenue
- Examples discussion



# EDAM Transfer

- The transfer of Energy between an EDAM Balancing Authority Area and the CAISO Balancing Authority Area, or between EDAM Entity Balancing Authority Areas, using transmission capacity made available to the Integrated Forward Market.
- Define one or more EDAM transfer resource pairs per transfer location (Bucket 1, Bucket 2, and Bucket 3)
- Define each total transmission capacity based upon associated TSP/TC

# EDAM Transfer To vs EDAM Transfer Thru



# What is Transfer Revenue

- Transfer Revenue: The difference between the settlement amount of export transfer resource and import transfer resource at each transfer location
  - Includes
    - Differences between Marginal Cost of Congestion
    - Differences between Marginal Cost of Energy
    - Differences between Marginal Cost of Losses
    - Hurdle Rate, if applicable
  - Distribute prorata to the BAA TSP/TC based each TSP/TC ATC

# REVIEW TRANSFER REVENUE EXAMPLES



# EDAM Resources

- List of [\*Common EDAM design principles and concepts\*](#)
- Initiative and working webpages:
  - EDAM initiative webpage: <https://stakeholdercenter.caiso.com/StakeholderInitiatives/Extended-day-ahead-market>
  - Working Group 2 webpage: <https://stakeholdercenter.caiso.com/StakeholderInitiatives/Extended-Day-Ahead-Market-Working-Group-2-Transmission-Commitment-Congestion-Revenue-Allocation>
    - The working group webpages include meeting materials, initial scope items, and weekly summary reports
- Please submit EDAM WG inquiries and/or requests to present at <https://www.surveymonkey.com/r/EDAMWG-Inquiries>
  - Presentations due 5 business days prior to the meeting where they are scheduled to present, if time allows
- [Register](#) for working groups to help the ISO gauge interest and facilitate communication throughout process.
- Nov 30, 2021 Day-Ahead Market Overview Training: <https://youtu.be/lbXRsfVbCg>