

Background:

This document provides an opportunity for interested stakeholders to submit informal comments and perspectives on various topics discussed during the working group process. There is recognition that additional details are needed on these topics that will be developed throughout the initiative, and stakeholders will have opportunities to provide more comprehensive and formalized comments on these topics to the extent these become part of a formal proposal. Please be brief in any written responses to facilitate review, recognizing these represent informal reactions at this early stage.

Please submit your comments using this template to ISOStakeholderAffairs@caiso.com by end of day March 14, 2022.

Question:

For each question please identify whether you “generally support”, are “neutral” or “generally oppose” the concepts based on the information discussed in the working groups to date, recognizing that additional detail will be provided through the straw that will allow you to consider the concepts in a more complete light. If desired, please provide additional context and/or identify additional aspects for consideration.

1. Please share your perspective on the transmission “buckets” framework for supporting EDAM transfers.

- Generally support
- Neutral
- Generally oppose

Comments:

2. Please share your perspective on whether Bucket 2 transmission should, aside from the voluntary nature of it, include use of unscheduled point-to-point transmission to maximize transmission available to EDAM for optimization of transfers.

- Generally support
- Neutral
- Generally oppose

Comments

- Allowing unscheduled firm to be optimized could create issues in real-time if rights holder attempts to utilize
 - Reliability issues due to overallocation of transmission
 - Potential to create financial issues due to re-dispatch
- SRP has concerns over sources of transmission used, including not wanting our TRM / CBM transmission to be included with Bucket 2 for optimization

3. Please share your perspective on the concept of the CAISO providing hurdle free transmission in the export direction reciprocal to the amount of hurdle free transmission provided by the adjoining EDAM BAA across the interface to support EDAM transfers and derive mutual benefit.

- Generally support
 Neutral
 Generally oppose

Comments:

Reciprocity can add significant complexity and challenges with respect to fundamental underpinnings of transmission tariffs across the west. SRP has concerns that we will be better able to understand and articulate following a written proposal for potential treatment of transmission in EDAM.

4. Please share your perspective on the overall transmission compensation framework under the transmission buckets and the associated transfer revenue and congestion rent allocation method discussed:
- A. Congestion rents is associated with internal transmission within the EDAM Entity that is a component of the Locational Marginal Price. Transfer revenue, includes the congestion rent, and is the LMP difference between the import and export transfer. Transfer revenue may also include the hurdle rate depending upon the product.
- Generally support
 Neutral

Generally oppose

Comments:

B. Transfer revenue associated with EDAM transfers between EDAM BAAs are generally divided 50/50 between these BAAs.

- Generally support
 Neutral
 Generally oppose

Comments:

Bucket 3 transmission costs should go to the TSP.

C. Transfer revenue associated with EDAM Transfers across an Intertie Constraint (ITC) at the boundary with the CAISO are allocated 100% to the CAISO or adjoining EDAM BAA depending upon the location of the congestion (if on the CAISO side or the adjoining EDAM BAA side).

- Generally support
 Neutral
 Generally oppose

Comments:

- CAISO will benefit from non-California entities' participation in EDAM
- Allocating 100% of transfer revenues to CAISO will discourage participation in EDAM
- Including an estimated value of congestion dollars will provide context for review

5. Please share your perspective on intertie bidding:

A. Self-schedules should continue to be permitted at the interfaces with the EDAM footprint

Generally support

- Neutral
 Generally oppose

Comments:

To the extent intertie bidding is allowed it should be required to be self-scheduled and should be at entity's risk. Imports from outside the footprint will continue to be needed

- B. Economic bidding is not permitted at interties on the boundary of the EDAM footprint, except at CAISO interties with non-EDAM BAAs.
- Generally support
 Neutral
 Generally oppose

Comments:

EDAM should not include economic intertie bidding framework on day 1 unless potential reliability concerns can be addressed:

- Scheduling excessive energy at a BAA intertie point could create reliability problems if there is insufficient internal transmission or generation to support. The straw proposal should specify that the BA at the EDAM boundary is not responsible for firming the transfer or guaranteeing the energy will be delivered.
- External entities involved in economic intertie bidding must demonstrate that the energy supply is real and is capable of being delivered.