

## 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](mailto:ISOStakeholderAffairs@caiso.com) by end of day March 14, 2022.

### General Comments:

Tacoma Power fails to see any significant difference between being a Participating Transmission Owner (PTO) in the CAISO's RTO versus being an EDAM BAA/TSP as proposed. In the March 3<sup>rd</sup> WG2 meeting, the PUCN indicated that "optimization of transmission" is an RTO function, and then asked "how does it follow that the EDAM is not a full-on RTO for this reason?" CAISO's response at the time was not persuasive.

Also, the CAISO's proposals being discussed during the WG2 meetings continue to blur the lines between the functions/responsibilities of the NERC-registered EDAM Transmission Service Providers (TSPs) versus those of the CAISO as a TSP/Market Operator. It would be very helpful if the CAISO would explicitly address how a NERC-registered EDAM TSP could continue to meet all its TSP obligations once the proposed EDAM transmission co-optimization processes are in place.

Finally, CAISO's current Day-Ahead Market (DAM) is defined as a "Financial" rather than a "Physical" market. This would suggest that the proposed EDAM will also be a "Financial" rather than a "Physical" market. Firm PTP and NITS transmission rights currently purchased from TSPs (other than CAISO) under their OATTs are "Physical" rights. In light of this, it will be important to enable entities, if they so choose, to move a specific generator to a specific load inside EDAM BAAs and across multiple BAAs using their "Physical" OATT rights. In these instances, the OATT transmission rights need to be respected "Physically", not just "Financially".

## 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:

Although the concept of the buckets may have some merit, until more details regarding the mechanisms on how transmission will actually be released and accounted for (beyond it will occur in Masterfile and/or SIBR, neither of which seem to provide a viable approach for a dynamic process), it is difficult to have confidence that transmission will be made available for the EDAM.

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:

The comments for Question 1 also apply to this question.

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:

Use of transmission as a result of counter-schedules is relatively common under the current OATT approach (external to CAISO).

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:

As a result of the limited transmission capability on the interties, congestion rents do not compensate for the value of this transmission, and as such, concerns exist that intertie transmission will be available for the EDAM.

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

- Generally support  
 Neutral  
 Generally oppose

Comments:

- 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:

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:

- 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: