Policy Initiatives Update

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Joint ISO Board of Governors and WEIM Governing Body Meeting  
General Session  
July 19, 2023
Day-Market Enhancements (DAME) – Upcoming Milestones

- The DAME Tariff process is underway
  - July 11\textsuperscript{th} - Revised draft tariff language posted
  - July 25\textsuperscript{th} - Comments due
  - July 27\textsuperscript{th} – Stakeholder meeting

- Final version of the DAME tariff, informed by stakeholder comments, will be posted in mid-August prior to FERC filing.

- Planning and preparations for DAME implementation working groups underway and expected to begin in 2024.
Extended-Day Ahead Market (EDAM) - Tariff Development Activities

• Second revised draft EDAM tariff
  – Published on June 8\textsuperscript{th}
  – Comments received on July 6\textsuperscript{th}
  – Stakeholder meeting scheduled for July 26\textsuperscript{th}

• Final version of the EDAM tariff, informed by stakeholder comments, will be posted in mid-August prior to FERC filing.

• FERC filing is targeted for mid-August as a joint, single, filing of the DAME and EDAM tariffs, seeking a December 2023 decision.
  – Joint filing recognizes interdependency of the designs
EDAM - Implementation Activities

• Continued internal development of business requirements to implement EDAM design.
  – Started engagement with vendors to support timely implementation.
  – Publication of the business requirements in July 2023.

• Commenced onboarding activities with PacifiCorp.
  – Engagement between teams on implementation activities.
  – Review of business requirements to facilitate engagement with vendors.
ISO EDAM BAA Participation Rules - Activities

• The initiative evaluates certain rules and processes detailing how the ISO participates in the EDAM.

• These rules include consideration of:
  – Allocation of revenues and surcharges which are settled with entities with the ISO BAA
  – Consideration of a net EDAM export transfer constraint for the ISO BAA
  – Tools and processes for supporting the ISO passing the resource sufficiency evaluation

• Track 1 of the initiative is slated for presentation to the ISO Board of Governors in September.
  – Proposes elements needed to support EDAM go-live
Transmission Service & Market Scheduling Priorities – Activities

• Continued engagement in stakeholder tariff development activities.

• **Phase 1** tariff filing focuses on the process for requesting available transfer capability (ATC) in monthly and daily horizons for establishing wheeling through scheduling priority.
  – FERC filing targeted for the end of July.

• **Phase 2** tariff development will focus on the process for studying requests for ATC of 1-year or longer and pursuing a transmission upgrade.
  – Publication of draft tariff on July 14 for stakeholder review.
  – Target FERC filing by January 2024.
Greenhouse Gas (GHG) Accounting Working Groups

• The ISO committed to continued active discussions and evaluating opportunities to evolve the GHG accounting design.

• Recognition of diverse and evolving GHG regulatory frameworks around the West.

• Initiating a series of stakeholder working groups in August to discuss ideas, perspectives and proposals for evolving the GHG accounting framework.
GHG Working Groups

• Topics of discussion include:
  – Review and common understanding of current design
  – Leakage, resource shuffling, secondary dispatch
  – GHG accounting reporting
  – Different regulatory frameworks in the West

• The working group discussion will inform the scope of a formal GHG policy initiative to evaluate key elements and recommendations emerging from the working groups.
Price Formation Enhancements

- Weekly Phase I working groups begin in August, continue through October
  - Topics: Scarcity pricing/market power mitigation, fast-start pricing analysis
  - Deliverable: Working Group Action Plan
- Straw proposal and fast-start pricing analysis by end of 2023 (tentative)

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