Comments on Extended Day-Ahead Market Straw Proposal

Department of Market Monitoring

June 17, 2022

Summary

The Department of Market Monitoring (DMM) appreciates the opportunity to comment on the *Extended Day-Ahead Market – Straw Proposal*.[1] DMM supports the ISO's efforts to extend the day-ahead market to other balancing areas across the west. An extended day-ahead market (EDAM) has the potential to provide significant efficiency benefits by facilitating trade between diverse areas and resource types. Several areas of the ISO's design warrant substantial development or clarification in order to produce a feasible design. We provide more detailed comments on several aspects of the proposal below.

Comments

I. ISO needs to clearly define how the core elements of the EDAM design will work together during the critical hours each year when the potential exists for a supply shortfall in the EDAM footprint

During working group discussions on ensuring confidence in EDAM transfers, the ISO described how it intended its EDAM design to work in tight system conditions—when the potential exists for there to be a supply shortfall in the EDAM footprint or a constrained subset of the EDAM footprint. The ISO verbally described the intended design as having all EDAM balancing areas that passed the EDAM resource sufficiency evaluation (EDAM RSE) share the consequences of the EDAM footprint ultimately facing a potential supply shortfall due to the realization of high net load uncertainty.

DMM agrees that this high level design principle for EDAM would be ideal. This would require working out some very difficult compromises among market participants and complex design details in order to strike an acceptable balance between day-ahead capacity procurement costs, real-time must offer obligations, and reliability. The requirements for excess capacity given load and resource uncertainty in each balancing area and the footprint as a whole would need to be rigorous enough to give each balancing area operator confidence that EDAM would still allow them to meet threshold reliability standards. If those details could be agreed upon, an EDAM-WEIM design in which BAAs passing the EDAM RSE would share in the consequences of a potential real-time EDAM footprint supply shortfall would clearly create the greatest potential benefits from an EDAM. We believe such a design could drive the most cooperation among

[1] *Extended Day-Ahead Market– Straw Proposal*, California ISO, April 28, 2022: http://www.caiso.com/InitiativeDocuments/StrawProposal-ExtendedDay-AheadMarket.pdf

participating EDAM balancing areas and create the best incentives for each area to maximize the generation and transmission capacity that they would make available to the EDAM.

In the straw proposal and accompanying stakeholder meeting slides, the ISO clarified somewhat that "EDAM does not represent a footprint-wide BAA…In stressed and emergency conditions, each EDAM BAA has the discretion to take steps to maintain system reliability."[2] The ISO also presented an example in which the real-time software allocates the entire EDAM footprint supply shortfall to the balancing area that ultimately did not have sufficient supply within its balancing area to meet its real-time net load realization.[3] This seems to indicate that the ISO is not actually proposing to implement a feature in the software that would allow EDAM balancing areas that passed the EDAM RSE to equitably share a real-time EDAM footprint supply shortfall.

Aside from this significant clarification on the overall intent of the EDAM design, there is very little indication about how the design will actually allocate potential footprint supply shortfalls. DMM believes the combination of design elements that determine where supply shortfalls end up when the EDAM footprint or subset of the footprint has a shortfall is perhaps the most fundamental aspect of the EDAM design. Many of the other elements of the EDAM and WEIM design follow from the intended design of which balancing area will end up with an energy schedule supply shortfall when there is not sufficient supply in the EDAM footprint.

Moreover, this aspect of the design could significantly impact the ultimate value of joining EDAM for balancing areas or groups of balancing areas with extensive forward capacity procurement programs, such as the Western Resource Adequacy Program (WRAP) or CAISO's resource adequacy program. Ratepayers in these balancing areas will pay tens of thousands of dollars a year for each MW of capacity that commits to serving load in their areas when called on during tight system conditions. As described above, ideally the EDAM design would require an adequate amount of reliable capacity from all participating areas, so that sharing an EDAM footprint supply shortfall would not be inequitable for any balancing area that passed the EDAM RSE.

However, the current proposal does not define this sort of stringent day-ahead reliability requirements and does not propose mutually agreed upon sharing of any shortfalls. In order to provide adequate value for balancing areas with forward capacity programs, the EDAM design will most likely need to have elements that clearly protect balancing areas with sufficient excess day-ahead capacity from exposure to reliability risks from sharing excess capacity in the day-ahead market with areas that may be at reasonable risk of insufficiency.

---

[2] *Presentation – Extended Day-Ahead Market*, CAISO, May 25-26, 2022, p. 75: http://www.caiso.com/InitiativeDocuments/Presentation-ExtendedDay-AheadMarket-May25-26-2022.pdf

[3] Ibid, p. 83.

Therefore, DMM strongly recommends that the ISO develop and clarify in detail how various key aspects of its EDAM and WEIM design will work together to determine in which balancing area a real-time shortfall in the EDAM footprint's energy schedules will end up. The subsections below describe some aspects of the design that warrant more detailed design work in order to clarify how EDAM will function in tight conditions.

Confidence in market transfers

The straw proposal states that "the market design will ensure confidence in market transfers."[4] The paper and stakeholder meeting presentation provide very little detail to help stakeholders discern how exactly the design will achieve this key goal. It is not clear what the ISO means by ensuring confidence in market transfers.

DMM believes that clarifying the details of the market design that define what this means and how it will be implemented is the most pressing issue for the ISO and stakeholders to address in order to continue to move the EDAM design forward. These details include: (1) EDAM RSE resource counting, requirements and failure consequences; (2) how capacity to account for uncertainty is procured in IFM and RUC; (3) how WEIM RSE will be impacted by EDAM results; and (4) precisely defining any constraint or penalty price structure in the real-time markets that may somehow give EDAM transfers priority in the real-time markets.

The ISO proposes that "if there is a risk for load shed in a BAA, export EDAM transfers be afforded equal priority to load, and thus may be curtailed or reduced on a pro-rata basis with load subject to operator coordination and application of good utility practice."[5] Neither the paper nor the presentation provides any indication of what the ISO means by this or how this will be implemented in the real-time market software. In the example described above from the May 25-26 stakeholder meeting, the net energy, imbalance reserve, and RUC transfers was zero between the balancing area whose load gets cut and each of its neighboring balancing areas. So, there are no EDAM transfers in the ISO's example. As a result, there is substantial ambiguity over how the ISO proposes to allocate supply shortfalls in the EDAM footprint when one EDAM has net EDAM transfers to another EDAM BAA.

In the absence of explicit new constraints added to the real-time market optimization, DMM's understanding is that the software would tend to allocate a supply shortfall to the balancing area that does not have sufficient internal supply and non-EDAM imports to meet its load and non-EDAM exports at the time of the specific real-time market run. This is consistent with the examples presented by the ISO. However, we think this may only be due to the relatively low costs the optimization applies to WEIM transfers, and loss penalty factors causing the optimization to tend to dispatch generation to serve the electrically nearest load. It is not clear whether or not generation in one BAA that is electrically closer to another BAA's load could

[4] CAISO April 28 Straw Proposal, p. 2.

[5] CAISO April 28 Straw Proposal, p. 8.

realize enough cost savings from avoided transmission losses to overcome the small costs the optimization applies to WEIM transfers. We ask the ISO to please clarify how EDAM footprint supply shortfalls would be allocated in the absence of any new design features so that stakeholders can be better equipped to assess the details of any new design feature that may change the status quo.

As described more in the next sub-section, the DAME initiative design for determining real-time must offer obligations for the EDAM footprint is likely to result in supply ultimately available in real-time with real-time must offer obligations frequently being insufficient to meet the EDAM footprint's real-time load. Therefore, the details of how potential shortfalls will be allocated will be extremely important for balancing areas to assess the value of EDAM. In particular, we request the ISO and stakeholders consider the following likely EDAM scenarios when developing these design details.

Some EDAM balancing areas are likely to have just enough capacity to pass the EDAM RSE in tight system conditions. If those requirements and the ultimate procurement of capacity to account for uncertainty in the IFM and RUC are not robust enough, these balancing areas may not have sufficient supply on their own in real-time to meet their real-time load.[6] If the EDAM supply in such an area is more expensive than supply in a neighboring area, a neighboring area with supply in excess of its load and imbalance reserve requirements will export EDAM transfers to this area.

EDAM areas with robust forward capacity procurement programs will expect to have sufficient committed supply to meet its load, even if significant uncertainty materializes in load, VER production, and non-VER resource availability between the day-ahead and real-time. We think it is critical for the EDAM design to explicitly acknowledge that these balancing areas will also regularly have large amounts of unreliable, inexpensive supply—*that the areas do not count on for meeting their resource sufficiency needs*—bidding into the EDAM. This could include wind, solar in excess of what is needed to charge battery storage, and even old gas units for which a balancing area appropriately discounts capacity ratings due to historical poor performance.

A balancing area with 1,000 MW of load may have 1,100 MW of reliable capacity that it counts on for its resource adequacy needs in tight system conditions, but it may have hundreds of MWs more of unreliable capacity bidding into EDAM in its balancing area. This unreliable capacity is likely to be inexpensive, and it is therefore likely to receive EDAM schedules and therefore "support" EDAM transfers to a neighboring balancing area that has more expensive capacity.[7] During the potentially frequent scenarios in which the real-time net-load uncertainty

[6] The straw proposal also contemplates allowing EDAM transfers to areas that actually do not have enough supply in the day-ahead time frame to pass EDAM RSE requirements. So, the proposal contemplates explicitly allowing some balancing areas to lean on others for capacity in tight system conditions.

[7] Or, if EDAM transfers are allowed to go to BAs failing the RSE, to BAs with insufficient supply to meet their load and imbalance reserve obligations.

materializes beyond the 77.5%-97.5% levels contemplated in the imbalance reserve design, the real-time must offer obligations in the combined footprint of the exporting and importing balancing areas will not be sufficient to meet load. This footprint could therefore face a shortfall in the scheduled energy supply.

We strongly recommend that the ISO work with stakeholders to determine and clarify how the EDAM design should treat the EDAM transfers in such a scenario. Supply that did not receive an EDAM award for energy, IR, or RUC within the balancing area importing the EDAM transfers could not be counted on to make themselves available in real-time under the ISO's current DAME/EDAM design. Therefore, this balancing area would be short of supply if the EDAM transfers did not flow in real-time. However, the EDAM BAA exporting the EDAM transfers had sufficient reliable capacity to meet its own load and uncertainty, but it did not have sufficient reliable capacity to support the EDAM transfers. From the perspective of this EDAM balancing area, the inexpensive, unreliable capacity that bid into EDAM from its balancing area is not energy that the balancing area has ever planned to support. It is extra, cheap energy that another balancing area should only take at its own risk.

Given the lack of a shared forward capacity construct and accepted reliability standards among BAAs participating in the EDAM, the EDAM design should clearly establish a minimum agreed upon reliability standard (demonstrated by the RSE) that is acceptable to EDAM participants such that an EDAM footprint supply shortfall would not be viewed as inequitable. However, the current proposal does not define this sort of stringent day-ahead reliability requirements and it does not propose mutually agreed upon sharing of any shortfalls.

Therefore, we believe it is critical for the design to explicitly consider this kind of scenario and how EDAM transfers may or may not flow and where the scheduled supply shortfall will end up. This will be important for the ISO and stakeholders to build other features into the EDAM design to enable each individual EDAM balancing area to preventatively "take steps to maintain system reliability."[8] This may unfortunately include having automated constraints to limit the amount of generation and/or transmission capacity that a balancing area makes available to EDAM.

The imbalance reserve and reliability capacity design from the DAME initiative could frequently result in real-time conditions where supply with real-time must offer obligations is insufficient for meeting the EDAM footprint's load.

In the DAME initiative, the ISO is designing its mechanism for assigning real-time must offer obligations to ensure sufficient capacity to meet the EDAM footprint's energy needs. The real-time must offer obligation assigned by the current design is aimed at being sufficient to meet a balancing area's real-time net load at most 97.5% of the time. Therefore, even if generation is

[8] *Presentation – Extended Day-Ahead Market-Straw Proposal*, CAISO, May 25-26, 2022, p. 75: http://www.caiso.com/InitiativeDocuments/Presentation-ExtendedDay-AheadMarket-May25-26-2022.pdf

relatively inexpensive, a balancing area should expect the real-time must offer obligations assigned by the design to not be sufficient to meet its actual realized net load for more than half an hour each day.[9]

The design also includes a demand curve which could result in much worse outcomes during tight system conditions. When the generation is relatively expensive, the real-time must offer obligation assigned by the current design will be sufficient to meet a balancing area's real-time net load as little as 77.5% of the time. Therefore, a balancing area should expect the real-time must offer obligations assigned by the design being insufficient to meet its actual realized net load for more than 5 hours a day under some conditions.

The ISO has argued that if these requirements are set for each balancing area, the likelihood of the uncertainty being realized at the tail of the distributions in all EDAM BAAs simultaneously would be low. We agree the risk would be less. However, there has been no analysis indicating how much less the risk of supply insufficiency would be if the ISO proceeded to propose that each balancing area would have its own obligations with no diversity benefit. Moreover, the ISO *is* proposing to apply a diversity benefit. The proposal seems to imply that the diversity benefit may aim to achieve this low 77.5%-97.5% reliability target *for the overall EDAM footprint*.

We appreciate that the ISO is asking for feedback on the tradeoff between reliability and the cost savings of any particular diversity benefit. It is important to note, though, that the ISO's analysis in both DAME and EDAM does not provide much confidence that the methods for determining a particular uncertainty target will be in any way accurate for achieving specific reliability standards, such as less than 1 day of lost load in 10 years. Therefore, it is reasonable to expect that the EDAM footprint will frequently have insufficient supply with real-time must offer obligations. We hope the ISO stakeholders do not dismiss the scenario described above as unlikely. Depending on other aspects of the EDAM design, it could be frequent. So, we reiterate the recommendation that the EDAM design explicitly consider that scenario and construct features to help EDAM balancing areas ensure their reliability.

WEIM Resource Sufficiency Evaluation

Another aspect of the EDAM design that is critical to understanding how the EDAM will work under tight system conditions is the treatment of EDAM balancing areas in the WEIM RSE. The short description of this aspect of the EDAM design in the straw proposal is not clear. It leaves many details unresolved. These details will be important for determining what additional design features may need to be added to help balancing areas with sufficient capacity limit the capacity that will be made available to EDAM areas in order to help ensure their own reliability.

As explained above, we think the ideal EDAM design is one in which all EDAM BAAs that passed the EDAM RSE shared the consequences of an EDAM footprint supply shortfall. Under such a

[9] 2.5% of 24 hours in a day is 0.6 hours per day.

design, we think the appropriate WEIM RSE design would be for all EDAM BAAs that passed the EDAM RSE to be pooled and tested together as one area in the WEIM RSE. However, the ISO design is centered on each EDAM BAA ultimately being responsible for meeting its own load in real-time. Under this paradigm, some aspects of the ISO's pooled WEIM RSE design could be problematic.

First, the ISO proposes that if a non-VER resource in an EDAM footprint balancing area becomes unavailable between EDAM and real-time and the EDAM footprint fails the WEIM RSE, that balancing area would be tested separately in the WEIM RSE if it didn't replace the non-VER capacity on outage. This design detail could create serious concerns for balancing areas like the hypothetical one in the subsection above.

A balancing area may enter the day-ahead time frame with sufficient reliable capacity to meet its load and uncertainty, but may still have unreliable non-VER capacity that the BA is not counting on for resource sufficiency that bids into the EDAM and subsequently supports EDAM transfers to another EDAM BA. If this situation arises in tight system conditions, the exporting BA may have shared a significant portion of its excess capacity with other balancing areas via EDAM transfers. It seems inappropriate to penalize the balancing area for having shared its capacity in the day-ahead time frame. If this design aspect is not reconsidered, it adds to the necessity of incorporating features to help EDAM BAAs with excess capacity automatically limit the amount of capacity that is available for EDAM transfers to levels that would prevent these BAAs from exposure to inequitable reliability consequences.

The proposal for these EDAM BAAs to only have credit for "their pro-rata share of imbalance reserve awards" when they are tested separately in the WEIM RSE is similarly problematic. As described above, a balancing area could have more than enough reliable capacity to meet its own needs, but it may have large amounts of relatively unreliable VER resources bidding into EDAM. These VERs would result in the BAA having an appropriately large imbalance reserve requirement, to help limit the situations when unreliable capacity could support transfers to only 2.5%-22.5% of intervals. It seems problematic to then apportion some of these imbalance reserves to other balancing areas in situations when this balancing area may be tested on its own in the WEIM RSE simply because it shared a lot of excess unreliable non-VER capacity with other EDAM BAAs through EDAM transfers.

Finally, the WEIM RSE design in the EDAM straw proposal does not say anything about how EDAM energy, imbalance reserve, or RUC transfers into or out of a BAA would be treated in the BAA's isolated WEIM RSE test. EDAM transfers could utilize all of a BAAs extra capacity. While such a BAA would have safely met its reliability needs on its own in the absence of EDAM, a potential requirement for its capacity to meet EDAM transfers in addition to its real-time load could put the BAA at risk of failing the WEIM RSE due to the BAA having made its excess capacity available for EDAM transfers. Therefore, it is important that the ISO much more clearly explain the details of this aspect of its EDAM design so that other potential features can be designed to help ensure the reliability of BAAs with sufficient capacity.

II. Transmission

WSPP Schedule C Issues – Market Power in Firm Transmission.

Across the WECC, parties rely on WSPP Schedule C firm delivered power contracts. DMM understands that these contracts will continue to play a significant role in meeting power supply needs even after implementation of EDAM. However, WSPP Schedule C contracts pose several significant challenges that will need to be addressed by the ISO and stakeholders.

An initial challenge is that while EDAM BAAs may rely on energy from a WSPP Schedule C contract, the source of this energy is typically not known in the day-ahead timeframe. The ISO proposes to model this supply as an injection to the importing BAA. However, this leads to the potential to double count capacity if the source is within the same BAA, or to undercount demand in the exporting BAA if the source is located in another EDAM BAA. As noted in the May 25-26 stakeholder meetings, at a minimum, the BAA in which the supply will originate will need to be known in the day-ahead timeframe to properly account for capacity and demand obligations in EDAM.

Additionally, the CAISO proposes that EDAM BAAs may rely on WSPP Schedule C contracts to meet resource sufficiency needs in EDAM. Under the straw proposal, resource sufficiency imports from another EDAM BAA require Bucket 1 transmission to transfer between the EDAM BAAs. Bucket 1 transmission is proposed to be firm, highly reliable transmission service. However, WSPP Schedule C contracts do not have a firm transmission requirement, and the specific transmission path and service level may be unknown in the day-ahead timeframe.

DMM notes that the ability to use a WSPP Schedule C contract to meet resource sufficiency needs can circumvent the requirement for resource sufficiency supply to have Bucket 1 EDAM transmission, undermining the intent of the proposal for this supply to have firm, highly reliable transmission.

More generally, the requirement for resource sufficiency capacity to have firm transmission is a major market design decision. Although there may be benefits to this approach, there is also potential for market power in firm transmission on some paths that needs to be carefully considered. DMM believes this topic warrants further discussion on how market power in the resource sufficiency capacity market could be mitigated. Specifically:

- What are the theoretical protections in place that prevent or mitigate market power in resource sufficiency capacity by long-term firm transmission rights holders?
- What changes are needed to OATTs across the west to ensure consistent competitive access to firm transmission?

Implications of Including Unscheduled Firm Rights in Bucket 2

The CAISO is considering whether or not sold but unscheduled firm transmission rights could be included in Bucket 2 transmission. While DMM supports the concept of making as much transmission available to the EDAM as possible, the ability of firm rights holders to schedule after the EDAM market runs introduces challenges that need to be considered in the market design.

The scheduling of firm rights after the EDAM runs could cause re-dispatch in the WEIM as the available transmission is reduced from the day-ahead market solution. Reducing transmission limits between day-ahead and real-time markets – as would occur if firm transmission rights included in Bucket 2 are scheduled after EDAM runs - can create market uplift. In order to align with cost-causation principles and to better incentivize firm rights holders to schedule before EDAM, DMM supports the allocation of the uplift to the rights holders whose transmission scheduling actions result in real-time re-dispatch.

In addition to uplift considerations, allowing unscheduled firm rights to be included in Bucket 2 transmission may have reliability considerations. In the RUC process that will follow the EDAM market run, reliability capacity-up (RCu) and reliability capacity-down (RCd) will be awarded to ensure real-time reliability. These reliability products will be awarded based on transmission available at the beginning of the EDAM market. If RCu and RCd are awarded dependent on transmission that may become unavailable in real-time (such as unscheduled firm rights in Bucket 2 that are scheduled after the EDAM market), the deliverability of these products, and therefore real-time reliability, may be compromised.

Options for Avoiding Bucket 3 Hurdle Rate

DMM supports the idea of making Bucket 3 transmission available hurdle-free if possible. Removing hurdle rates will maximize the efficiency of EDAM transfers. The CAISO has proposed several potential options to remove the Bucket 3 hurdle rate while also making sure that EDAM transmission owners are made whole to their transmission revenue requirement.

Among the three proposals described in the straw proposal to make Bucket 3 transmission available without a hurdle rate, approach 3B (make-whole uplift assigned based on total transaction volumes) appears most efficient as it does not appear to rely on a volumetric uplift charge. Options that depend on a volumetric uplift charge per transaction can introduce inefficiency by influencing EDAM bidding incentives. Specifically, any volumetric uplift charge may alter bidding incentives for load that ultimately bears the volumetric uplift charge.

Transmission Revenue Distribution

For distribution of transmission revenues accrued on EDAM transmission supporting EDAM transfers, the CAISO proposes to extend the approach used in the WEIM. Where an EDAM transfer is “through” an intertie (i.e., does not compete at that location for intertie transactions involving non-EDAM BAAs), the proposed default distribution of revenues would be an even 50:50 split. Where an EDAM transfer is “to” an intertie (i.e., does compete at that location for intertie transactions involving non-EDAM BAAs), the default allocation is 100% to the BAA that made the transmission available to EDAM at that intertie.

Allocating 100% of transmission revenue to the entity making transmission available to EDAM for transfers to an intertie has potential to incentivize withholding of transmission in order to cause transfer constraints to bind and maximize transmission revenues. However, when an EDAM (and WEIM) transfer constraint binds, generators in the area on the exporting side of the binding constraint realize lower prices. In the WEIM, the entities providing transmission for WEIM transfers are typically affiliates of the majority of generation within the BAA. Therefore, any additional transfer revenues realized by withholding transmission would be largely offset by lower prices realized by affiliated generators.

DMM believes that this outcome largely mitigates incentives to withhold transmission in the WEIM context, as it currently exists. However, this may or may not be the case in the EDAM. The EDAM will require transmission to facilitate trading. But unlike other RTO markets the EDAM will need participating entities to bring transmission to the market each day. The EDAM design will need to carefully consider what incentives it creates for entities to provide transmission to, or withhold transmission from, the market. This includes careful consideration of the congestion rent allocation framework.

III. Greenhouse Gas Emissions

DMM believes the ISO should maintain flexibility in its EDAM and WEIM greenhouse gas (GHG) design so that the design can be adapted to best suit the specific, and potentially changing, regulations of each unique GHG program. For example, CARB's regulations currently require California electric utility distribution companies (UDCs) to surrender allowances at the unspecified source emissions rate for all MWh the WEIM deems delivered to California, less a credit for the emissions from the specific resources deemed delivered to California that actually have carbon emissions. This CARB regulation may not be the most efficient rule from the perspective of electricity market policy makers. However, this is a regulation that must be taken as a starting point for the EDAM and WEIM GHG design.

Under this regulation, it seems CARB has effectively alleviated the electricity market design from having to worry about the complication of secondary dispatch: CARB is effectively collecting allowances for every MWh WEIM deems delivered to California at the unspecified source emissions rate (at a minimum). Therefore, the ISO could consider some adjustments to both its WEIM and EDAM GHG design to simplify the design, remove the need for EDAM and WEIM resources outside of California to engage with the CARB program at all, and to better align the design with CARB's regulations.

The ISO could maintain the basic resource specific approach, as this design effectively shields the electricity prices in non-GHG regulation areas from the impacts of GHG allowance prices. California UDCs would surrender allowances at the unspecified source emissions rate for all MWh the WEIM/EDAM deems delivered to California. EDAM and WEIM suppliers in non-GHG regulation areas would not interact with the CARB program at all. So, instead of the California UDCs receiving a credit for the emissions from the specific resources deemed delivered to

California by WEIM/EDAM, the California UDCs would receive the congestion rent on the WEIM/EDAM California GHG constraint. The ISO could insert GHG bids into the market using its existing estimates of emissions rates of each resource in a non-GHG regulation area and current allowance prices. Because the CARB regulation effectively addresses secondary dispatch by assuming all WEIM transfers to California are at least the unspecified emissions rate, both the EDAM and WEIM design could be simplified by removing any calculation of a counterfactual "BA dispatch in the absence of EDAM/WEIM transfers to California".

When other states such as Washington implement GHG programs, there does not seem to be a technical need for EDAM GHG design to be the same for each state. Rather, EDAM should be able to maintain the design it adopts that best suits CARB's regulations while implementing a potentially different design that may better suit the Washington program's specific regulations.