

**UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ENERGY REGULATORY COMMISSION**

**Portland General Electric Company     )                   Docket No. ER25-1868-001**

**COMMENTS OF THE  
CALIFORNIA INDEPENDENT SYSTEM OPERATOR CORPORATION  
ON PORTLAND GENERAL ELECTRIC COMPANY'S DEFICIENCY LETTER  
RESPONSE**

The California Independent System Operator Corporation (CAISO)<sup>1</sup> submits these comments on the deficiency letter response submitted by Portland General Electric Company (PGE) on June 30, 2025 (Deficiency Letter Response).<sup>2</sup> For the reasons explained herein, the Commission has an ample record to find that the revisions PGE submitted to its Open Access Transmission Tariff (OATT) to enable its participation in the CAISO's Extended Day-Ahead Market (EDAM) are both just and reasonable and consistent with or superior to the Commission's *pro forma* OATT.<sup>3</sup> PGE has supplied helpful clarifications and additional detail in its Deficiency Letter Response, providing an expanded record for the Commission's consideration. The CAISO supports that response.

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<sup>1</sup> Capitalized terms not otherwise defined herein have the meanings set forth in Appendix A to the CAISO tariff.

<sup>2</sup> The CAISO files these comments pursuant to Rule 211 of the Commission's Rules of Practice and Procedure, 18 C.F.R. § 385.211, and the notice of filing regarding the Deficiency Letter Response issued on June 30, 2025. The Deficiency Letter Response addresses questions posed in the letter that Amery S. Poré, Director, Division of Electric Power Regulation – West for the Commission, issued to PGE on May 29, 2025 (Deficiency Letter).

<sup>3</sup> PGE submitted its OATT revisions (PGE OATT Filing) in this proceeding on April 3, 2025. This filing contains the second set of OATT revisions submitted by a utility to allow its participation in EDAM, following PacifiCorp's earlier submittal of revisions to its own OATT to allow its EDAM participation that are currently pending before the Commission in Docket No. ER25-951.

Customers in the Western United States have benefited substantially through the extension of the CAISO's wholesale markets to other parts of the West. EDAM builds upon the platform and successes of the Western Energy Imbalance Market (WEIM).<sup>4</sup> PGE has explained that the WEIM has delivered over \$312 million in cost savings to PGE customers,<sup>5</sup> and that PGE's participation in EDAM could generate at least \$6 million in annual cost savings and as much as \$17.5 million in annual cost savings.<sup>6</sup> The CAISO asks the Commission to accept the OATT amendments proposed in this proceeding, without modification nor condition, as a significant step toward allowing customers in PGE to receive benefits from EDAM.<sup>7</sup>

## **I. Comments**

### **A. Comments on Deficiency Letter Response**

The CAISO recognizes the scope of issues the Commission must consider in approving the initial OATT amendments to allow a public utility to participate in EDAM and deliver the benefits of the day-ahead market. Given this range of issues, the CAISO appreciates Commission Staff's efforts to ensure the Commission has a full record in this proceeding by raising certain questions in the Deficiency Letter. The CAISO has confirmed PGE's responses are

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<sup>4</sup> The WEIM was formerly called the Energy Imbalance Market or EIM, and the CAISO tariff references remain to the Energy Imbalance Market or EIM.

<sup>5</sup> Transmittal letter for PGE OATT Filing at 18 n.53.

<sup>6</sup> *Id.* at 4; PGE OATT Filing, Exh. No. PGE-003, Portland General Electric Comparative Analysis of the CAISO's EDAM and the SPP's Markets+, at 1, 12 (Mar. 21, 2024).

<sup>7</sup> The CAISO also filed comments in support of PGE's OATT revisions on May 1, 2025 (CAISO May 1 Comments), and filed an answer to comments and protests regarding the OATT revisions on May 19, 2025 (CAISO May 19 Answer).

consistent with applicable provisions of the CAISO Tariff and the CAISO's plans for implementing EDAM. The CAISO offers specific thoughts on some aspects of the Deficiency Letter Response below.

In response to Deficiency Letter Question 1, PGE states its understanding that the EDAM design ensures displaced congestion charges do not cause an under- or over-allocation of congestion revenues to the EDAM entity and states the CAISO's Commission-approved methodology for allocating congestion revenues will sufficiently reflect the costs of congestion from energy flows.<sup>8</sup> The CAISO agrees with PGE's assessments.

In response to Deficiency Letter Question 2.a, PGE states it agrees with the CAISO's position that "carve-outs" (*i.e.*, "hold-backs") of transmission by PGE as an EDAM entity and EDAM transmission provider should remain narrowly tailored and applied only in limited circumstances to protect market efficiency and integrity.<sup>9</sup> The basis of PGE's discretion to carve out or hold back transmission from EDAM is section 33.18.3.3 of the CAISO Tariff. The Commission accepted section 33.18.3.3 on the basis of a record that includes the CAISO's explanation it:

expects that conditions warranting such a carve-out will be limited and that the transmission customer's option to exercise firm transmission rights at a higher market clearing priority above cleared day-ahead EDAM transfer schedules in real-time is a more efficient use of transmission capacity and should be implemented instead of carve-outs where possible.<sup>10</sup>

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<sup>8</sup> Deficiency Letter Response at 2.

<sup>9</sup> *Id.* at 3-4.

<sup>10</sup> *Cal. Indep. Sys. Operator Corp.*, 185 FERC ¶ 61,210, at P 285 (2023) (EDAM Acceptance Order).

The CAISO repeatedly emphasized the narrow scope of section 33.18.3.3 in the transmittal letter for its tariff amendment to implement the EDAM design, stating “the CAISO expects the transmission service provider will request adjustment of available transmission only under narrow, limited, and specific circumstances as provided in the transmission service provider’s tariff.”<sup>11</sup>

PGE has satisfied the requirements of section 33.18.3.3 through language in its OATT that PGE will only hold back transmission capacity:

when the PGE EDAM Entity, in its sole discretion, deems such a hold back necessary to (a) maintain the reliability of the PGE BAA or (b) give effect to any contract right, including EDAM Legal Contract rights, that the PGE EDAM Entity determines is not adequately addressed by the rules of this Tariff and the [CAISO] Tariff for EDAM participation.<sup>12</sup>

These two prerequisites are consistent with the narrow and limited scope of section 33.18.3.3 as proposed by the CAISO and approved in the EDAM Acceptance Order. The focus on maintaining reliability and giving effect to contract rights is consistent with core elements of the CAISO market design.

PGE’s explanation that any more detailed criteria for the exercise of carve-out discretion are premature in the period before parties have operational experience with EDAM is reasonable.<sup>13</sup> Such more detailed criteria could limit

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<sup>11</sup> Transmittal letter for CAISO Tariff amendment to implement Day-Ahead Market Enhancements and EDAM, Docket No. ER23-2686-000, at 130 (Aug. 22, 2023) (EDAM Tariff Filing). *See also id.* at 135, 143.

<sup>12</sup> PGE OATT Filing, Attachment B, at proposed Section 6.1.3 of Attachment P to the PGE OATT. PGE also explains in its Deficiency Letter Response that, although it retains sole discretion to determine when a hold-back is warranted, PGE anticipates engaging with other transmission operators and transmission customers during its evaluation process consistent with the unique structure of PGE’s system, which includes contractual ownership arrangements with neighboring transmission operators. Deficiency Letter Response at 3-4.

<sup>13</sup> *Id.* at 3.

the ability of PGE to respond to unanticipated conditions after EDAM start-up. PGE expresses openness to developing further criteria to add to a Business Practice or otherwise documenting them on PGE's Open Access Same-Time Information System (OASIS).<sup>14</sup> The CAISO will work with EDAM entities to consider what additional criteria, if any, may be appropriate based on operational experience.

In response to Deficiency Letter Question 3 regarding whether the PGE OATT revisions in this proceeding will alter the way PGE processes intra-day schedule changes, PGE explains that it proposes no such alterations and that the applicable PGE OATT language is identical to section 13.8 of the Commission's *pro forma* OATT, which provides that schedules submitted after 10:00 a.m. "will be accommodated, if practicable."<sup>15</sup> In the EDAM Acceptance Order, the Commission referenced the same provision of the *pro forma* OATT in rejecting arguments that "under the EDAM transmission framework, firm transmission customers' intra-day schedule changes will have lower priority than they would under the *pro forma* OATT."<sup>16</sup> Also, the CAISO agrees with PGE's statements, in its response to Deficiency Letter Question 4, that under the CAISO tariff provisions approved in the EDAM Acceptance Order, non-firm transmission schedules submitted before 10:00 a.m. in the day-ahead timeframe will receive equal market scheduling priority compared with firm transmission schedules not tied to EDAM legacy contracts or approved resource adequacy programs such

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<sup>14</sup> *Id.*

<sup>15</sup> *Id.* at 5.

<sup>16</sup> EDAM Acceptance Order at P 310.

as the Western Resource Adequacy Program (WRAP), and the CAISO will classify schedules and changes thereto submitted after 10:00 a.m. as intra-day schedules and intra-day schedule changes to which charges may apply regardless of whether the transmission service is firm or non-firm.<sup>17</sup>

With regard to PGE's response to Deficiency Letter Question 6.b, the CAISO confirms the accuracy of PGE's statement that its process for conducting a Resource Sufficiency Evaluation (RSE) for load-serving entities will complement, not conflict with, the CAISO's advisory RSE timeline under EDAM. Thus, the CAISO agrees with PGE that the PGE process maintains harmonization through alignment with the CAISO's advisory RSE timeline.<sup>18</sup>

The Deficiency Letter Response, together with PGE's prior filings, the CAISO May 1 Comments, the CAISO May 19 Answer, and the other information contained in the record of this proceeding, demonstrate the proposed PGE OATT amendments are both just and reasonable and consistent with or superior to the *pro forma* OATT. For these reasons, the CAISO respectfully requests the Commission accept the PGE OATT Filing to allow the CAISO and PGE to take the next steps necessary to allow EDAM to go live and begin delivering customer benefits in the spring of 2026.<sup>19</sup>

## **B. Issues Beyond the Scope of This Proceeding**

This proceeding has become a forum for significant stakeholder questions and concerns about congestion costs under EDAM. Without minimizing the

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<sup>17</sup> See Deficiency Letter Response at 6-7.

<sup>18</sup> See *id.* at 10.

<sup>19</sup> PGE will commence EDAM participation in the fall of 2026. See *id.* at 9.

importance of those concerns, the CAISO urges the Commission to recognize these questions and concerns relate to the approved congestion revenue allocation provisions of the CAISO Tariff and are not attributable to the PGE OATT amendments. PGE's EDAM participation must follow the approved provisions of the CAISO Tariff. PGE does not have the ability to change the CAISO Tariff.

The CAISO recently submitted a tariff amendment filing to make a targeted enhancement to its methodology for allocating congestion revenue under EDAM, partly in response to comments submitted in the instant proceeding on PGE's OATT revisions, to become effective on day one of EDAM implementation (which is expected to be May 1, 2026).<sup>20</sup> The CAISO expects this amendment to the CAISO Tariff will address stakeholder questions and concerns associated with congestion revenue allocation that are beyond the scope of this proceeding.

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<sup>20</sup> See the tariff amendment the CAISO filed on June 26, 2025 in Docket No. ER25-2637-000. As explained in the transmittal letter for that filing (at 44), the CAISO requested that the Commission issue an order accepting the tariff amendment by September 18, 2025.

## II. Conclusion

For the foregoing reasons and the reasons explained in previous filings in this proceeding, including those submitted by the CAISO and PGE, the Commission should accept the PGE OATT Filing without modification or condition.

Respectfully submitted,

Sean A. Atkins  
Bradley R. Miliauskas  
Davis Wright Tremaine LLP  
1301 K Street, NW  
Suite 500 East  
Washington, DC 20005  
Tel: (202) 973-4200  
[seanatkins@dwt.com](mailto:seanatkins@dwt.com)  
[bradleymiliauskas@dwt.com](mailto:bradleymiliauskas@dwt.com)

/s/ John C. Anders  
Roger E. Collanton  
General Counsel  
John C. Anders  
Deputy General Counsel  
Anthony J. Ivancovich  
Deputy General Counsel  
California Independent System  
Operator Corporation  
250 Outcropping Way  
Folsom, CA 95630  
Tel: (916) 608-7287  
[janders@caiso.com](mailto:janders@caiso.com)  
[aivancovich@caiso.com](mailto:aivancovich@caiso.com)

Counsel for the California Independent System Operator Corporation

Dated: July 21, 2025

## **CERTIFICATE OF SERVICE**

I certify that I have served the foregoing document upon the parties listed on the official service list in the above-captioned proceeding, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, CA this 21st day of July, 2025.

/s/ Jacqueline Meredith

Jacqueline Meredith  
An employee of the California ISO