



California ISO

# BPM Change Management Meeting (Day 2)

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Customer Readiness

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March 25, 2026

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## Housekeeping reminders

- This call is being recorded for informational and convenience purposes only. Any related transcriptions should not be reprinted without ISO's permission.
- Meeting is structured to stimulate honest dialogue and engage different perspectives.
- Please keep comments professional and respectful.
- BPM Meetings in March/April will span multiple days to allow for review of changes related to Extended Day-Ahead Market and Day-Ahead Market Enhancements implementation.

March 24

March 25

March 26

## Instructions for raising your hand to ask a question

- If you connected to audio through your computer or used the “call me” option, please use the raised hand icon  located on the lower center of the Webex screen to enter the question queue.
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- Please remember to state your name and affiliation before making your comment.
- If you need technical assistance during the meeting, please send a chat to the event producer.

# Agenda: BPM Change Management Meeting – March 25, 2026

Topic	Presenter
Introduction / Meeting Overview	Radha Madrigal
Settlements and Billing	Massih Ahmadi
Wrap-Up and Next Steps	Radha Madrigal

BPM Change Management Process  
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# California ISO Stakeholder Initiative Process



- Business Practice Manuals
  - The purpose of BPMs is to set forth business practices that implement the ISO tariff.
  - The ISO conducts a yearly policy initiative roadmap process to consider and rank initiatives.
    - Policy changes submitted through the PRR process will be referred to the policy initiative road map process.
  - Each subject area in a BPM is based on enabling language in the ISO tariff.
    - *The PRR process cannot be used to introduce changes that are not supported by existing tariff authority.*

# BPM for Settlements and Billing

PRR	PRR Title	Stage
1662	Updating settlement configuration guides for day-ahead market enhancements, extended day-ahead market, and California ISO's balancing authority area participation in the extended day-ahead market	Initial

## Settlements BPM Activity

- The ISO has been posting draft technical documents for DAME, EDAM, and the EDAM ISO BAA Participation Rules since March 2025.
- Market Participants have been engaged through bi-weekly Settlement User Group meetings.
- Market Participants began using the Map Stage environment at the start of market simulation in September 2025 to test the changes reflected in these technical documents.
- Market Participants are currently using the Stage environment to conduct additional testing during Parallel Operations.
- The Settlements BPMs attached to PRR 1662 represent the locked-down version 6.0. These BPMs provide the framework for DAME/EDAM/EDAM ISO BAA PR Settlements.
- The ISO is posting incremental updates to this framework on the Release Planning page and reviewing them during bi-weekly meetings. These updates reflect variances identified during Market Simulation and Parallel Operations.
- Incremental updates will be submitted as emergency PRRs when DAME/EDAM goes live and will follow the emergency PRR process, with an effective date of May 1, 2026.

# PRR 1662 – Updating settlement configuration guides for day-ahead market enhancements, extended day-ahead market, and California ISO's balancing authority area participation in the extended day-ahead market

- Reason for revision:
  - All impacted charge code configuration guides have been updated to prepare for the implementation of the following initiatives: Day-Ahead Market Enhancements (DAME), Extended Day-Ahead Market (EDAM), and CAISO BAA's participation in EDAM.
- Initial comments received from the following organizations:
  - California Department of Water Resources – State Water Project (CDWR-SWP)
  - (Six Cities) Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, CA
- Initial comment period expired: March 17, 2026
- Next step: Post ISO Recommendation

# Settlements BPMs in PRR 1662 – Imbalance Reserve

In the next few slides, Settlements BPMs are organized by Charge Groups.

Charge Code	Charge Group	NAME	New Charge Code
8011	Imbalance Reserve	Day Ahead Imbalance Reserve Transfer Revenue Settlement	NEW
8071	Imbalance Reserve	Day Ahead Imbalance Reserve Up Settlement	NEW
8076	Imbalance Reserve	Day Ahead Imbalance Reserve Up Tier 1 Allocation	NEW
8077	Imbalance Reserve	Day Ahead Imbalance Reserve Up Tier 2 Allocation	NEW
8081	Imbalance Reserve	Day Ahead Imbalance Reserve Down Settlement	NEW
8086	Imbalance Reserve	Day Ahead Imbalance Reserve Down Tier 1 Allocation	NEW
8087	Imbalance Reserve	Day Ahead Imbalance Reserve Down Tier 2 Allocation	NEW

# Settlements BPMs in PRR 1662 – Bid Cost Recovery

Charge Code	Charge Group	NAME	New Charge Code
6678	Bid Cost Recovery	Real Time Bid Cost Recovery Allocation	
6620	Bid Cost Recovery	RUC and RTM Bid Cost Recovery Settlement	
6630	Bid Cost Recovery	IFM Bid Cost Recovery Settlement	
6636	Bid Cost Recovery	IFM Bid Cost Recovery Tier 1 Allocation	
6637	Bid Cost Recovery	IFM Bid Cost Recovery Tier 2 Allocation	
6800	Bid Cost Recovery	DA RUC Availability Settlement	
6806	Bid Cost Recovery	Day Ahead Residual Unit Commitment (RUC) Tier 1 Allocation	
6807	Bid Cost Recovery	Day Ahead Residual Unit Commitment (RUC) Tier 2 Allocation	
6824	Bid Cost Recovery	No Pay Residual Unit Commitment (RUC) Settlement	
8800	Bid Cost Recovery	RUC Reliability Capacity Up Settlement	NEW
8806	Bid Cost Recovery	RUC Reliability Capacity Up Tier 1 Allocation	NEW
8807	Bid Cost Recovery	RUC Reliability Capacity Up Tier 2 Allocation	NEW
8810	Bid Cost Recovery	RUC Reliability Capacity Down Settlement	NEW
8811	Bid Cost Recovery	RUC Reliability Capacity Transfer Revenue Settlement	NEW
8816	Bid Cost Recovery	RUC Reliability Capacity Down Tier 1 Allocation	NEW
8817	Bid Cost Recovery	RUC Reliability Capacity Down Tier 2 Allocation	NEW
66200	Bid Cost Recovery	RTM Bid Cost Recovery EIM Settlement	

# Settlements BPMs in PRR 1662 – Day Ahead Energy

Charge Code	Charge Group	NAME	New Charge Code
6011	DA Energy	Day Ahead Energy Congestion Loss Settlement	
6947	DA Energy	IFM Marginal Losses Surplus Credit Allocation	
8310	DA Energy	Day Ahead Green House Gas Emission Cost Revenue	NEW
8315	DA Energy	Day Ahead Green House Gas Offset	NEW
8404	DA Energy	Day Ahead Energy and Marginal Losses Offset	NEW
8411	DA Energy	Day Ahead Energy Transfer Revenue Settlement	NEW
8704	DA Energy	Day Ahead Congestion Offset	NEW

# Settlements BPMs in PRR 1662 – Imbalance Energy

Charge Code	Charge Group	NAME	New Charge Code
491	Imbalance Energy	Green House Gas Emission Cost Revenue	
495	Imbalance Energy	Real Time GHG Offset	NEW
6460	Imbalance Energy	FMM Instructed Imbalance Energy Settlement	
6470	Imbalance Energy	Real Time Instructed Imbalance Energy Settlement	
6476	Imbalance Energy	Real Time Assistance Energy Transfer Surcharge	
6476	Imbalance Energy	Real Time Assistance Energy Transfer Surcharge_5.2	
6477	Imbalance Energy	Real Time Imbalance Energy Offset	
6478	Imbalance Energy	Real Time System Imbalance Energy Offset	
6479	Imbalance Energy	Real Time Assistance Energy Transfer Allocation	
6985	Imbalance Energy	Real Time Marginal Losses Offset	
8470	Imbalance Energy	Real time Energy Transfer Revenue Settlement	NEW
64600	Imbalance Energy	FMM Instructed Imbalance Energy EIM Settlement	
64700	Imbalance Energy	Real Time Instructed Imbalance Energy EIM Settlement	
64740	Imbalance Energy	Real-Time Unaccounted for EIM Energy Settlement	
64750	Imbalance Energy	Real Time Uninstructed Imbalance Energy EIM Settlement	
64770	Imbalance Energy	Real Time Imbalance Energy Offset EIM	
69850	Imbalance Energy	Real Time Marginal Losses Offset EIM	

# Settlements BPMs in PRR 1662 – Resource Sufficiency Evaluation

Charge Code	Charge Group	NAME	New Charge Code
8080	Resource Sufficiency Evaluation	Resource Sufficiency Evaluation Settlement	NEW
8088	Resource Sufficiency Evaluation	Resource Sufficiency Evaluation Allocation	NEW

# Settlements BPMs in PRR 1662 – Wheel Through

Charge Code	Charge Group	NAME	New Charge Code
8322	WHEEL	Extended Day-Ahead Market Access Charge	NEW
8326	WHEEL	EDAM Access Charge Payment	NEW

# Settlements BPMs in PRR 1662 – Ancillary Services

Charge Code	Charge Group	NAME	New Charge Code
6090	Ancillary Services	Upward Ancillary Services Neutrality Allocation	
6100	Ancillary Services	Day Ahead Spinning Reserve Capacity Settlement	
6124	Ancillary Services	No Pay Spinning Reserve Settlement	
6170	Ancillary Services	Real Time Spinning Reserve Capacity Settlement	
6194	Ancillary Services	Spinning Reserve Obligation Settlement	
6196	Ancillary Services	Spinning Reserve Neutrality Allocation	
6200	Ancillary Services	Day Ahead Non-Spinning Reserve Capacity Settlement	
6224	Ancillary Services	No Pay Non-Spinning Reserve Settlement	
6270	Ancillary Services	Real Time Non-Spinning Reserve Capacity Settlement	
6294	Ancillary Services	Non-Spinning Reserve Obligation Settlement	
6296	Ancillary Services	Non-Spinning Reserve Neutrality Allocation	
6500	Ancillary Services	Day Ahead Regulation Up Capacity Settlement	
6524	Ancillary Services	Non-Compliance Regulation Up Settlement	
6570	Ancillary Services	Real Time Regulation Up Capacity Settlement	
6594	Ancillary Services	Regulation Up Obligation Settlement	
6596	Ancillary Services	Regulation Up Neutrality Allocation	
6600	Ancillary Services	Day Ahead Regulation Down Capacity Settlement	
6624	Ancillary Services	Non-Compliance Regulation Down Settlement	
6670	Ancillary Services	Real Time Regulation Down Capacity Settlement	
6694	Ancillary Services	Regulation Down Obligation Settlement	
6696	Ancillary Services	Regulation Down Neutrality Allocation	
7251	Ancillary Services	Regulation Up Mileage Settlement	
7256	Ancillary Services	Regulation Up Mileage Cost Allocation	
7261	Ancillary Services	Regulation Down Mileage Settlement	
7266	Ancillary Services	Regulation Down Mileage Cost Allocation	

# Settlements BPMs in PRR 1662 – Congestion

Charge Code	Charge Group	NAME	New Charge Code
6700	Congestion	CRR Hourly Settlement	
6710	Congestion	Day Ahead Congestion as Spinning Reserve Import Settlement	
6715	Congestion	Real Time Congestion as Spinning Reserve Import Settlement	
6720	Congestion	Day Ahead Congestion as Non-Spinning Reserve Import Settlement	
6725	Congestion	Real Time Congestion as Non-Spinning Reserve Import Settlement	
6750	Congestion	Day Ahead Congestion as Regulation Up Import Settlement	
6755	Congestion	Real Time Congestion as Regulation Up Import Settlement	
6760	Congestion	Day-Ahead Congestion as Regulation Down Import Settlement	
6765	Congestion	Real Time Congestion as Regulation Down Import Settlement	
6788	Congestion	Real Time Market Congestion Credit Settlement	
6790	Congestion	CRR Balancing Account	

# Settlements BPMs in PRR 1662 – Convergence Bidding

Charge Code	Charge Group	NAME	New Charge Code
6013	Convergence Bidding	Convergence Bidding DA Energy Cong Loss Settlement	
6473	Convergence Bidding	Convergence Bidding Real Time Energy Congestion and Loss Settlement	

# Settlements BPMs in PRR 1662 – Cost Recovery

Charge Code	Charge Group	NAME	New Charge Code
6045	Cost Recovery	Over and Under Scheduling EIM Settlement	
6046	Cost Recovery	Over and Under Scheduling EIM Allocation	

# Settlements BPMs in PRR 1662 – Flexible Ramp

Charge Code	Charge Group	NAME	New Charge Code
7070	FLEX_RAMP	Flexible Ramp Forecasted Movement Settlement	
7071	FLEX_RAMP	Flexible Ramp Up Uncertainty Capacity Settlement	
7076	FLEX_RAMP	Flexible Ramp Forecast Movement Allocation	
7077	FLEX_RAMP	Daily Flexible Ramp Up Uncertainty Award Allocation	
7078	FLEX_RAMP	Monthly Flexible Ramp Up Uncertainty Award Allocation	
7081	FLEX_RAMP	Flexible Ramp Down Uncertainty Capacity Settlement	
7087	FLEX_RAMP	Daily Flexible Ramp Down Uncertainty Award Allocation	
7088	FLEX_RAMP	Monthly Flexible Ramp Down Uncertainty Award Allocation	

# Settlements BPMs in PRR 1662 – Hour-Ahead Scheduling Process

Charge Code	Charge Group	NAME	New Charge Code
6483	HASP Uplift	Hour-Ahead Scheduling Process Up Lift Settlement	
6984	HASP_RT_STLMT	RTM Net Marginal Loss Assessment per CAISO Agreement	

# Settlements BPMs in PRR 1662 – Pre-Calculations

Charge Code	Charge Group	NAME	New Charge Code
PC	PC	Ancillary Services	
PC	PC	Bid Cost Recovery Sequential Netting	
PC	PC	Day Ahead Congestion	NEW
PC	PC	ETC TOR CVR Quantity	
PC	PC	Flexible Ramp Product	
PC	PC	IFM Net Amount	
PC	PC	Measured Demand Over Control Area	
PC	PC	Metered Energy Adjustment Factor	
PC	PC	MSS Deviation Penalty Quantity	
PC	PC	MSS Netting	
PC	PC	NPM Precalculation	
PC	PC	RA Availability Incentive Mechanism	
PC	PC	Real Time Congestion	
PC	PC	Real Time Energy Quantity	
PC	PC	Real Time Price	
PC	PC	Regulation No Pay Quantity	
PC	PC	RTM Net Amount	
PC	PC	RUC Net Amount	
PC	PC	RUC No Pay Quantity	
PC	PC	Spin Non-Spin No Pay Quantity	
PC	PC	Start-Up and Minimum Load Cost	
PC	PC	System Resource Deemed Delivered Energy Quantity	

# Settlements BPMs in PRR 1662 – Rounding

Charge Code	Charge Group	NAME	New Charge Code
4989	Rounding	Daily Rounding Adjustment Allocation	
4999	Rounding	Monthly Rounding Adjustment Allocation_5.9	
4999	Rounding	Monthly Rounding Adjustment Allocation	

# Settlements BPMs in PRR 1662 – Attachments F

Charge Code	Charge Group	NAME	New Charge Code
Attachment F	Attachment F	Transmission Access Charge Rates Submission Template	
Attachment F	Attachment F	Transmission Access Charge Rates Submission Procedure	

# Settlements BPMs in PRR 1662 – Misc

Charge Code	Charge Group	NAME	New Charge Code
701		Forecasting Service Fee	
6456		Intertie Deviation Settlement	

# Next BPM Change Management Meeting: Mar. 26, 2026, 9:00 AM PT

## BPM change management process

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The ISO systematic and publicly transparent BPM Change Management process ensures the consideration of all relevant information when modifying BPMs. The change management process uses a system available through the ISO public website that provides a way to propose BPM changes, comment on open change requests, and track proposed change requests. The change management process begins when the ISO or a stakeholder submits a web-based Proposed Revision Request (PRR). After an ISO review for completeness, PRRs are posted to the website, triggering a stakeholder review and comment period.

**1. Submit Proposed Revision Request (PRR)**

**2. Comments period**

Upon ISO acceptance, PRR becomes public and 10-business day comment period starts

**3. Stakeholder meeting**

PRR details and comments reviewed and discussed

**4. Recommendation**

ISO recommendation issued on PRR

**5. Comments on recommendation**

10-business day comment period open on recommendation

**6. Stakeholder meeting on recommendation**

PRR recommendation and comments reviewed

**7. Final decision\***

BPM updated or not updated

\* Stakeholders have the right to appeal the final decision of a proposed revision request (PRR)

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