



Stakeholder Comments Template

Congestion Revenue Rights (CRR) Modeling and Settlement in the Extended Day-Ahead Market (EDAM) Stakeholder Meeting (June 12, 2025)

This template has been created for submission of stakeholder comments on Congestion Revenue Rights (CRR) Modeling and Settlement in the Extended Day-Ahead Market (EDAM) Stakeholder Meeting, which took place on June 12, 2025. The meeting presentations have been posted to the miscellaneous stakeholder meetings [webpage](#) and the Congestion Revenue Rights [page](#). The meeting recording will also be posted in both these locations.

Upon completion of this template, please submit it to ISOStakeholderAffairs@caiso.com. Submissions are requested by close of business on **July 3, 2025**.

Submitted by	Organization	Date Submitted
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Please provide your organization's comments on the following issues and questions.

1. Please provide your feedback on CRR modeling considerations supporting EDAM launch as described in the "Briefing on CRR Implementation for EDAM" presentation.

The brief presentation on CRR modeling considerations leaves SCE with many questions and an unclear understanding of how the CAISO plans to model for CRRs under EDAM, and the implications of those plans. As the recent discussion in the CRR Enhancements stakeholder process has demonstrated, reducing the CRR revenue insufficiency is important and is linked to the closeness of the models used in the IFM and in determining the amount of CRRs that can be distributed. SCE would appreciate further explanations and discussion on how the models used in IFM (both in CAISO now and in EDAM in the future) deal with parallel flows both within EDAM and in non-EDAM BAAs in the western market footprint. For example, the presentation indicates that "EDAM will continue to use the same FNM but with resources participating for PACW and PACE". SCE is not sure how these resources will be accounted for in the SFT for CRRs. In the comprehensive solution which includes modeling all supply/demand in BAAs in the FNM, the presentation discusses adding in the SFT a balance CRR nomination for each non-CISO BAA from the BAA GAP to the BAA LAP, similar to TOR ETC. SCE doesn't understand what this means, especially given that PacifiCorp has over 18,000 MW of NITS OATT service and over 3,500 MW of long term PTP reservations. Further discussions from the CAISO would be appreciated.

Further, SCE also requests that the CAISO provide the EDAM full-network model to stakeholders as soon as practicable so that SCE's CRR and price forecasting teams can begin their work preparing for the broader day ahead market.

2. Please provide your feedback on the settlement of CRRs (CRR1B) in EDAM as described in the "CRR Settlement in the Extended Day Ahead Market" presentation.

SCE is concerned that the CRR Settlement outlined in the presentation does not seem to conform to the settlement structure adopted in the 2019 CRR changes. Those changes included assigning CRR revenue shortfall to the CRR holders and not, as previously done, to load. However, as SCE understands the methodology in the presentation this would no longer be the case in all situations. The revenue from parallel flow congestion on constraints in other BAAs will not be allocated to the CAISO but will remain with the BAA where the constraint is located; however, the CAISO proposes that CRR holders receive that revenue as part of their CRR settlements. The revenue, which the CAISO would not receive, would be recovered through the CRR balancing account, which costs would be paid by load. SCE believes that this is a change from the existing practice and should not occur. After the Near Term Enhancements to EDAM Congestion Revenue Allocation begins allocating parallel flow congestion revenue to the CAISO for CRR schedules, that revenue should be flowed back to the CRR holders, but until that extra revenue is allocated to the CAISO, the missing revenue should continue to be treated as part of the CRR revenue shortfall that is assigned to the CRR holders.

3. Please provide any additional feedback regarding the Congestion Revenue Rights (CRR) Modeling and Settlement in the Extended Day-Ahead Market (EDAM) stakeholder workshop discussion on June 12, 2025.

SCE is concerned about the process the CAISO is utilizing to bring this issue forward and seek stakeholder input. Instead of a normal stakeholder process, the CAISO has conducted a meeting during which it presented its plan for how to deal with these issues. Stakeholders have been asked to provide feedback, but there is no indication of a path forward where the CAISO would respond to stakeholders and potentially modify the proposed mechanism in response to stakeholders' comments.

SCE wishes to again emphasize the importance of the CAISO conducting and sharing analysis of the expected congestion revenue that will arise under EDAM, and then ensuring that during both market simulation and parallel operations the operation of the market and the allocation of the congestion revenues will be properly tested. Both the MSC and the WEM Market Expert emphasized the importance of the CAISO conducting these steps and thus being ready to respond if something unexpected occurs with the implementation of EDAM.