

Status Update on EDAM/DAME Settlement Dispute Deadline Waiver

Background

On July 7, 2026, CAISO filed a limited waiver request with FERC regarding the dispute deadlines for T+70B Recalculation Settlement Statements for May and June 2026 Trade Dates. The request established December 24, 2026, as a single dispute deadline for those statements rather than the standard T+92B deadline¹. FERC granted that waiver on August 24, 2026.

The additional time was intended to allow market participants and their software vendors to accommodate several significant code changes to the settlement system changes associated with May 01, 2026, implementation of Extended Day-Ahead Market (EDAM) and Day Ahead Market Enhancements (DAME) and to complete their validation of settlement results. The pace of changes did not give market participants and their software vendors enough time to adjust the “shadow settlement systems” used to validate settlement statements. The waiver was designed to provide additional time for such validation.

As part of the FERC process, CAISO committed to posting a status report by September 30, 2026, regarding ongoing settlement processing activities and market participants’ readiness and ability to validate settlement results.

Current Status of Settlement Issues

CAISO regularly holds Settlement User Group (SUG) stakeholder meetings to discuss status of settlement issues. At each of the SUG meetings after EDAM go-live, CAISO discussed issues impacting settlements of EDAM and periodically posted a file titled EDAM issue list². At the time of this report, the list does not identify any additional settlement configuration defects requiring remediation beyond the issues already addressed or scheduled for correction in the upcoming release. While several upstream system issues, processing exceptions, and reporting enhancement requests remain under evaluation, these items are considered work in progress and do not currently indicate the need for additional settlement configuration changes. Some of these matters may affect settlement results and participant visibility; however, current reviews have not identified underlying settlement design or configuration defects associated with them.

¹ For more details, please review “Dispute Deadline Tariff Waiver” in the following presentation posted in SUG on September 23, 2026.

<https://www.caiso.com/documents/agenda-settlement-user-group-sep-23-2026.pdf>

² <https://www.caiso.com/documents/edam-issue-list-sep-24-2026.xlsx>

Production Releases and Ongoing Monitoring

The CAISO's September 29, 2026, settlement release represents the latest step in addressing identified settlement variances requiring settlement configuration updates.

Because settlement reviews and dispute evaluations remain ongoing, an additional release may be scheduled during the fourth quarter of 2026 if further corrective actions are determined to be necessary. CAISO will continue to monitor settlement outcomes and dispute activity as additional data becomes available. In addition, CAISO will continue to evaluate billing determinant enhancement opportunities to improve visibility into settlement outcomes and support participant validation efforts and implement them at the earliest opportunity.

In addition, CAISO intends to maintain flexibility following Portland General Electric's planned EDAM go-live on October 1, 2026. As new participants enter production operations, additional issues may surface through operational experience. Should new settlement issues be identified, CAISO will prioritize appropriate remediation through future releases and stakeholder communications.

Market Participant Readiness

Outreach conducted with market participants indicates that many entities have implemented the changes associated with recent settlement releases and are either fully prepared or nearing readiness with respect to settlement reconciliation and dispute review activities.

Based on the current assessment of participant readiness, settlement performance, and dispute activity, CAISO does not presently anticipate the need for an additional extension beyond December 24, 2026, for dispute deadlines associated with May and June trade-date settlement statements.

Additional Waiver for July Trade Dates

In the scope of consultations with market participants, CAISO has determined that it would be appropriate to seek an additional limited waiver to extend the dispute deadline for T+70B Recalculation Settlement Statements for July 2026 Trade Dates to December 24, 2026 in alignment with the original waiver. Absent a waiver, the applicable dispute deadlines for July Trade Dates would occur before December 24, 2026. For example, the dispute deadline for the July 1 T+70B statement would be **November 10, 2026**, while the dispute deadline for the July 31 T+70B statement would be **December 11, 2026**. This would require Scheduling Coordinators to prioritize their review of certain July settlement statements while they are still reviewing and validating the May and June settlement statements covered by the existing waiver.

CAISO believes that extending the July Trade Date dispute deadlines to December 24 would provide market participants with a more orderly review period, allowing them to focus first on completing their review and validation of the May and June settlement statements before turning to the July settlement statements.

CAISO recognizes that certain T+70B dispute deadlines for **August 2026 Trade Dates** also occur before December 24. However, CAISO does **not** intend to seek an extension of those deadlines. Although the existing waiver establishes December 24 as the dispute deadline for the May and June Trade Dates, CAISO expects Scheduling Coordinators to have substantially completed their review of the earlier Trade Dates by mid-December. Accordingly, CAISO does not believe a similar extension for August Trade Dates is necessary.

Conclusion

Based on the completion of dispute reviews, settlement analyses, and stakeholder outreach, CAISO's current assessment is that known settlement configuration issues have been identified and are being addressed through established release processes. No new settlement configuration defects have been identified through the T+70B review process at this time. Ongoing efforts remain focused on resolving operational, processing, and reporting-related matters while continuing to monitor settlement outcomes as EDAM implementation progresses.