

December 17, 2025

CAISO Board of Governors,
Western Energy Markets Governing Body

RE: Extended Day-Ahead Market Year One Intertie Scheduling Mechanics

Dear Board of Governors and Governing Body Members,

The Energy Authority (TEA) appreciates the opportunity to provide comments to the CAISO Board of Governors (Board) and the Western Energy Markets (WEM) Governing Body (GB) regarding recent developments in CAISO's Extended Day-Ahead Market (EDAM) implementation plans and associated Tariff clarifications efforts to enable efficient intertie scheduling at market go-live on May 1, 2026. As described below, TEA supports certain aspects of CAISO's planned EDAM intertie scheduling framework but opposes others and believes additional steps should be taken to improve outcomes for the Load Serving Entities (LSE) captive to EDAM operations.

TEA is a public power-owned, not-for-profit provider of wholesale energy market services across North America. TEA is an active CAISO market participant that performs Scheduling Coordinator (SC) and Congestion Revenue Rights (CRR) market duties for multiple LSEs and Generation Owners in CAISO's markets today, and will be performing the same for multiple entities in EDAM at go-live. TEA has been an active participant in the EDAM intertie scheduling discussions CAISO has been facilitating for the past few months specifically because TEA's clients rely heavily on moving power between and within markets to meet their Resource Adequacy (RA), Renewable Portfolio Standard (RPS), and other requirements. Due to the diversity of its clients, TEA schedules a high volume, though relatively low magnitude, of inter-regional transfers, wheeling power on a daily basis throughout the entire WECC, and TEA's experience there informs its position on these important issues.

TEA strongly supports CAISO maintaining the Scheduling Point-Tie (SP-Tie) model for intertie schedules at its EDAM External Interties with adjacent non-EDAM. TEA finds that the SP-Tie model to be an appropriate solution for initial EDAM implementation that reduces impacts to the bilateral forward markets and existing scheduling and tagging frameworks that most entities will continue to rely on during EDAM's first few years of operation. TEA also strongly supports CAISO's recent clarification that it will not require use of auto-mirror functionality at SP-Ties that are also Western Energy Imbalance Market (WEIM) Energy Transfer System Resource (ETSR) interfaces, as CAISO's previously proposed logic would have effectively inserted an inefficient hurdle-rate into the clearing of non-EDAM, non-WEIM transfers at CAISO's interties.

TEA recommends¹, however, that CAISO also extend the SP-Tie model to the non-CAISO EDAM BAA interface points with their adjacent BAAs and also use the SP-Tie model for all non-EDAM transactions at all CAISO interfaces, while maintaining a similar pathway as in WEIM for the parallel optimization of EDAM transfers at the same points. Further, TEA recommends CAISO through its Tariff Clarifications process enable EDAM BAs to amend their Tariffs to provide Tier One congestion reversals to Non-Firm Network (6-NN) rightsholders in certain circumstances and retain a default deadline for CAISO and EDAM BA Operators to enact the Net EDAM Transfer Constraint (NETC) in advance of the day-ahead market run. TEA believes these additional adjustments to the

¹ See TEA's December 11, 2025, submitted comments at <https://stakeholdercenter.caiso.com/RecurringStakeholderProcesses/Tariff-Clarification-Filings-2025> under the December 3, 2025, meeting section.



EDAM intertie scheduling framework, congestion eligibility provisions, and market transparency expectations can relatively easily be initiated by CAISO and carried forward into EDAM Entity Tariffs with conforming clarifications. Taken together, these small adjustments will reduce the EDAM LSEs' economic exposure and improve transaction efficiency for all entities making the critical bilateral inter-regional purchases and sales that enable reliable EDAM operations. TEA understands that CAISO has defensible reasons for pursuing a Generation Aggregation Point (GAP) -Tie framework for its markets and does not object to CAISO's long-term vision there as an appropriate end-state for EDAM once it achieves scale. However, TEA believes the commercial benefits of maintaining a SP-Tie model for all EDAM interfaces outweigh any potential tradeoffs in powerflow modeling accuracy in the DAM horizon, specifically during the transitional years of EDAM.

TEA acknowledges and appreciates the work of CAISO staff and leadership to date on these issues and respects the multiple constraints CAISO and PacifiCorp are managing in the few months remaining prior to EDAM go-live. CAISO's responsiveness to stakeholder feedback and its willingness to invite new perspectives has been exceptional. TEA is simply requesting CAISO stretch a little further at this time to minimize unintended consequences when EDAM goes live on May 1, 2026.

Respectfully,

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The Energy Authority®