



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
<i>Carrie Bentley</i>	<i>Western Power Trading Forum</i>	<i>July 3, 2025</i>

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.

We would like to further explore the implications of modeling flows in the monthly process starting May 2026, while not incorporating those flows into the annual process for the corresponding months (May to December 2026). This gap raises concerns about potential mismatches in the amount of CRRs released. Specifically, there may be instances where the annual process releases more CRRs than can be supported in the monthly model once flows are introduced, leading to previously non-binding constraints becoming binding.

We seek clarification on how such situations will be addressed in the CRR model. For example, if a constraint in the annual process is rated at 100 MW and 65 MWs are released (in line with a 65% release threshold), but that same constraint is derated to 50 MW in the monthly process due to an outage or has an additional 50 MWs of flows due to the modeled OATT rights, how does the market ensure that total CRR exposure remains within the limit? In the first situation there is 15 MWs of CRRs that were already released in the annual process that is no longer feasible in the monthly (i.e., 65 MWs of CRRs but only 50 MW capacity limit). In the second situation there are 15 MWs of CRRs that were already released in the annual process but due to the

monthly process now having an additional 50 MWs of modeled OATT right flows, is 15 MWs over the 100 MW limit (i.e., 65 MW + 50 MW is 115 MW of CRRs on a 100 MW constraint). In both situations is counterflow forced to clear in the monthly auction to preserve feasibility, or is the constraint relaxed to accommodate the full 65 MWs awarded in the annual process for the first situation and 115 MWs awarded in the second situation?

In addition, we believe it's important to continue discussions around the exclusion of external constraints from the CRR market model. If a CRR flows on an external constraint that would otherwise be binding, and that constraint is not modeled, does this increase the risk of releasing more CRRs than appropriate? This could potentially contribute to additional underfunding and may warrant reconsideration of the current modeling approach.

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.

WPTF would like to first confirm that CAISO is proposing to ensure full funding of CRRs that flow on external constraints in recognition of the need to maintain equitable treatment between OATT rights flowing on CAISO-internal constraints and CRRs flowing on external constraints. If confirmed, we support the proposal to address any resulting shortfalls via the balancing account rather than through the Track 1B constraint-by-constraint settlement approach.

This approach reflects an important acknowledgment that underfunding in some cases arises from market conditions that are not directly tied to transmission derates. Therefore, allocating underfunding strictly on a constraint-by-constraint basis does not always align with cost causation. This perspective is consistent with ongoing conversations in the CRR Enhancements initiative, where alternative allocation approaches should be explored to more fairly distribute underfunding when the root causes are unrelated to constraint derates.

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.

We support transparency both of the modeling assumptions and the resulting reductions in available capacity on different network elements.