

Background:

This document provides an opportunity for interested stakeholders to submit informal comments and perspectives on various topics discussed during the working group process. There is recognition that additional details are needed on these topics that will be developed throughout the initiative, and stakeholders will have opportunities to provide more comprehensive and formalized comments on these topics to the extent these become part of a formal proposal. Please be brief in any written responses to facilitate review, recognizing these represent informal reactions at this early stage.

Please submit your comments using this template to ISOSTakeholderAffairs@caiso.com by end of day March 14, 2022.

Question:

For each question please identify whether you “generally support”, are “neutral” or “generally oppose” the concepts based on the information discussed in the working groups to date, recognizing that additional detail will be provided through the straw that will allow you to consider the concepts in a more complete light. If desired, please provide additional context and/or identify additional aspects for consideration.

1. Please share your perspective on the transmission “buckets” framework for supporting EDAM transfers.
 Generally support
 Neutral
 Generally oppose

Comments:

2. Please share your perspective on whether Bucket 2 transmission should, aside from the voluntary nature of it, include use of unscheduled point-to-point transmission to maximize transmission available to EDAM for optimization of transfers.
 Generally support
 Neutral
 Generally oppose

Comments

Transmission customers, who have paid for the transmission service, should elect to donate their transmission rights based on their internal benefit analysis.

While we fully appreciate the more transmission capacity available to the market the better the market will operate; If the customer elects not to donate their capacity, the market construct needs to address this concern.

3. Please share your perspective on the concept of the CAISO providing hurdle free transmission in the export direction reciprocal to the amount of hurdle free transmission provided by the adjoining EDAM BAA across the interface to support EDAM transfers and derive mutual benefit.
- Generally support
 - Neutral
 - Generally oppose

Comments:

This has the potential to develop into a construct to avoid purchasing long-term transmission capacity.

4. Please share your perspective on the overall transmission compensation framework under the transmission buckets and the associated transfer revenue and congestion rent allocation method discussed:
- A. Congestion rents is associated with internal transmission within the EDAM Entity that is a component of the Locational Marginal Price. Transfer revenue, includes the congestion rent, and is the LMP difference between the import and export transfer. Transfer revenue may also include the hurdle rate depending upon the product.
- Generally support
 - Neutral
 - Generally oppose

Comments:

- B. Transfer revenue associated with EDAM transfers between EDAM BAAs are generally divided 50/50 between these BAAs.
- Generally support
 - Neutral

Generally oppose

Comments:

- C. Transfer revenue associated with EDAM Transfers across an Intertie Constraint (ITC) at the boundary with the CAISO are allocated 100% to the CAISO or adjoining EDAM BAA depending upon the location of the congestion (if on the CAISO side or the adjoining EDAM BAA side).

Generally support
 Neutral
 Generally oppose

Comments:

This transfer revenue should also be split 50/50.

5. Please share your perspective on intertie bidding:

- A. Self-schedules should continue to be permitted at the interfaces with the EDAM footprint

Generally support
 Neutral
 Generally oppose

Comments: Limited to bi-lateral transactions only

- B. Economic bidding is not permitted at interties on the boundary of the EDAM footprint, except at CAISO interties with non-EDAM BAAs.

Generally support
 Neutral
 Generally oppose

Comments:

Economic bidding at the interties lacks the reliability framework at this stage to make it a viable option Day 1.