Initial/Draft List of Scope Items for Consideration - EDAM Stakeholder Working Group 2 – Initial list of Scope Items for Consideration
[Redline is from CAISO's answers to Stakeholder questions dated 12.3.2021

Issue	External Market Design Questions	Internal Market Design Questions and Comments
Transmission Availability	What are the purposes and definitions of different transmission "buckets"? What types of transmission can/must be included in the types of transmission made available under each? What Transmission Issues Overlap or Require Coordination with Resource Sufficiency Decisions?	For each of the buckets (1,2,3): - Define purpose of each bucket and consider consolidation or further expansion of buckets if necessary, and the nature of transmission (e.g., mandatory v. voluntary). Consider any exceptions or limitations of transmission made available under buckets. - Define firmness of transmission available to EDAM. What type of transmission is made available – firm, conditional firm and "highly reliable" transmission. - Under what circumstances will transmission not be made available for optimization (i.e., existing contract/OATT rights, must run, other)? Intent is OATT customers should be able to continue to self-schedule their own resources and own loads. Support WSPP Schedule C deliveries as firm transmission. Unscheduled firm point-to-point is addressed in Bucket 2. Customers with firm point-to-point reservations may schedule transmission service in accordance with those reservations. If they do not fully schedule the reserved transmission capacity, the OATT transmission provider must make it available for non-firm service. The expectation is the market would only be allowed to use unscheduled firm point-to-point reservations if the transmission provider and the CAISO are confident that the redispatch can be accomplished without creating physical infeasibilities. Any transmission ultimately not used by the EDAM would revert back to the transmission provider and could be reposted on OASIS after EDAM (i.e., if it is still marketable).
Transmission Availability	How would unused reserved transmission automatically made available to EDAM be defined? What existing uses of transmission might preclude used from the CAISO's EDAM market?	Consideration of reserved transmission (bucket 2) being made available to EDAM if unutilized by holder by close of day ahead market timeframe. Consider implications and viability.[1] Transmission customers will continue to be able to fully utilize their OATT rights to modify schedules. Primary objective is to hold customers harmless for intra-day changes.
Transmission Availability	How will CAISO consider utilization of transmission internal the EDAM entity network?	Define how transmission across EDAM entity network is made available, including consideration of any restrictions or limitations.

[1] Consideration of such unutilized bucket 2 transmission being made available to EDAM by the close of day ahead market timeframe would only apply to rights obtained after start-up of EDAM, not pre-existing arrangements, and would require, for most transmission service providers, customer-vetted OATT changes and approval by FERC.

		Participating EDAM Entity transmission providers should continue to sell new OATT rights. Evergreen, renewal or extension provisions if available in the OATT should be allowed.
Timing and Duration	What is the timing and duration that transmission is made available?	For each of the buckets: 1. When will the transmission be made available? 2. What is the duration of transmission products made available to EDAM? (i.e., annual, monthly, weekly, daily, hourly) Intent is to offer on a day-to-day, day-ahead basis which hours the transmission customer wants to offer its reserved transmission capacity. Expectation is that any unsold transmission capacity would be made available to EDAM. Bucket 1: Required to be made available to EDAM, with the exception of Bucket 1 transmission tied to a self-scheduled resource, which cannot be optimized. Bucket 2: Voluntarily made available in return for congestion rents. Transmission would automatically be made available to the EDAM to the extent it is not scheduled or otherwise utilized by a certain day-ahead timeframe. Bucket 3: Transmission posted as ATC on OASIS that was not sold on OASIS as of the commencement of the day-ahead market, would be made available to EDAM for a usage rate.
Transmission Unavailability	What are the consequences of transmission made available to EDAM, but not available in RT? Are there reliability or cost allocation concerns?	What are the implications on EDAM of transmission that becomes unavailable in RT, whether due to outages, or otherwise? What if the party making transmission available in DA, uses it or otherwise removes availability in RT?
Compensation	How should transmission made available to the EDAM market be compensated?	Transmission customer would only be compensated if they offered the transmission to the market day-ahead and thereby did not reserve the right to use it themselves. Intent is congestion on the CAISO controlled grid would be allocated via established CAISO mechanisms including congestion revenue allocation. In context of bucket 2 transmission: Can bucket 2 transmission be made available at usage rate, or is compensation structure limited to an allocation of congestion rents? Compensation could include an allocation of congestion revenues based on the amount of capacity offered. In context of bucket 3 transmission: What is the compensation structure for bucket 3 transmission (OATT-based hurdle rate? Other?)? What is the compensation structure for wheeling through CAISO?

Congestion Rent Allocation	How and under what circumstances should congestion rent be allocated between BAAs? How best can the CAISO distribute the congestion rent allocation from BAAs to LSEs and transmission customers?	What is the congestion rent allocation framework supporting EDAM transfers between BAAs and under different scenarios? Consideration: – Split 50/50 – 100% to sending balancing authority (e.g., if Tx made available extends all the way into the sinking balancing area rather than stopping at the midpoint of balancing areas) – 100% retained by CAISO (e.g., if rents associated with intertie schedule constraints at the boundary of the CAISO) Congestion Rent Distribution – Is it reasonable and appropriate for CAISO to distribute congestion rents to EDAM entity, and EDAM entity responsible for allocating rents among its transmission customers?
External Resource Participation	Would EDAM Facilitate Intertie bidding or External Resource Participation?	Consideration of intertie bids or external resource participation in EDAM. Includes: Non-resource specific v. resource specific bids Removal of CAISO scheduling points with EDAM BAAs Maintaining scheduling points with non-EDAM BAAs and EDAM border Maintaining RA import bids (with Mirror System resource) or design RA transfers