

WESTERN ENERGY IMBALANCE MARKET

Update on extended day-ahead market initiative

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EIM Governing Body – General Session

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Stakeholder working groups

- Currently hosting three stakeholder working groups:
 - **WG 1**: Supply commitment & resource sufficiency evaluation
 - **WG 2**: Transmission commitment & congestion rent allocation
 - **WG 3**: Green House Gas (GHG) accounting
- Working group schedule: January 3rd – March 17th
 - Modified cadence January 31st – February 10th
- Announced monthly EDAM working group debrief meetings to take stock of progress.
 - February 16th and March 17th
- Working group design discussion will help inform and shape the comprehensive straw proposal set to be published in mid-April, 2022.

Working Group 1 – Day ahead resource sufficiency

- Resource sufficiency evaluation intends to ensure entities have sufficient capacity to meet demand in the day ahead timeframe.
- Working group discussions have focused on structure and manner of demonstrating sufficiency.
 - Not substitute for resource adequacy programs.
- Consideration of whether day-ahead sufficiency is demonstrated through bids alone, or through a day ahead load/resource plan.
- Consideration of tools ISO may secure additional capacity, if necessary, to meet day ahead sufficiency.

Working Group 2 – Transmission commitments

- Availability of transmission capacity is key to a robust extended day-ahead market.
- Working group discussions are centering on defining how transmission is made available and compensated.
 - Transmission capacity supporting resource sufficiency
 - How transmission is made available in return for congestion rents
- A key emerging issue is how to account for existing transmission commitment across EDAM areas, and how to handle situations where parties with transmission rights utilize those rights between day ahead and real-time.

Working Group 3 – Green house gas accounting

- GHG accounting through day ahead dispatch across the larger footprint is a key element of the EDAM.
- Working group discussions have focused on two emerging frameworks:
 - Source specific approach – extension of EIM GHG model, with ability to create multiple GHG regulation areas (recognizing upcoming regulations across the west).
 - Zonal/Unspecified approach – creation of GHG and non-GHG zones where resources outside of zone are dispatched without GHG cost, those in zone are dispatched with GHG cost. Imports are unspecified.
- Needs to be recognition that framework must be consistent with law and regulations, rather than drive or depend upon regulation and law changes.