




California ISO

Market Simulation Structured Scenarios

Extended Day-Ahead Market

Version 1.1

02/14/2024

 California ISO <small>Shaping a Renewed Future</small>	Market Simulation Templates Program Office	Template Version:	1.1
		Template Date:	03/30/2011
ISO External Market Simulation Structured Scenarios		Document Version:	1.0
		Effective Date	8/29

Location of Document

[Release Planning](#)

Revision History

Date	Version	Description	Author
01/26/2024	1.0	Document Created	Anshuman Vaidya
02/14/2024	1.1	Scenario testing dates updated	Anshuman Vaidya



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Table of Contents

1. INTRODUCTION.....	4
2. STRUCTURED SCENARIOS APPROACH.....	4
2.1 HIGH LEVEL OVERVIEW	4
2.2 STRUCTURED SCENARIOS CONDITIONS AND SETUP	4
2.3 STRUCTURED SCENARIOS	5
3. ISO MARKET SIMULATION CONTACT.....	9

 California ISO <small>Shaping a Renewed Future</small>	Market Simulation Templates Program Office	Template Version:	1.1
		Template Date:	03/30/2011
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1. Introduction

The objective of this document is to provide the information needed to ISO Market Participants to participate in the Extended Day-Ahead Market simulation scenarios.

For the scope of this implementation and this initiative, please refer to the Extended Day-Ahead Market External Business Requirements Specification –

[Release Planning](#)

2. Structured Scenarios Approach

2.1 High Level Overview

The identified scenarios will be executed during the structured scenario portion of the Extended Day-Ahead Market Readiness market simulation. Currently we have identified implementation scenarios as listed below. These scenarios would help onboarding entities test new features coming with this implementation. Additional onboarding scenarios would be added to this document at a later date, to aid more holistic testing with California ISO market.

2.2 Structured Scenarios Conditions and Setup


The following additional setup will be used by the ISO during the scenario execution.

Market Participant pre-Market Simulation Actions

Market participants will need to register their request with the ISO to participate in the Extended Day-Ahead Market project simulation via the MarketSim@caiso.com mailbox.


Market participants, submit your request and any additional information requested in this document by August 15th, 2025.

Please submit your request and any additional information identified above by August 15, 2025.

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2.3 Structured Scenarios – Implementation

Scenario Number	Structured scenario	
1	Description	Demonstrate bid to bill EDAM process
	EDAM Market Participant Actions	Entity should submit the following: <ol style="list-style-type: none"> 1) Supply/Demand Bids 2) CB Bids 3) GHG Bids for GHG area 4) IRU/IRD bids 5) RCU/RCD bids 6) AS requirements 7) DA schedule TSR tags
	ISO Actions	Check tags to determine EDAM pool in RTM RSE Run market and publish EDAM awards and locational prices. Run settlements and publish.
	ISO Market Participant Actions	N/A
	Expected Outcome	EDAM market participants to verify: <ol style="list-style-type: none"> 1) DAM and DAME awards 2) GHG resource reference and GHG awards.
	Anticipated Settlement Outcome	Verify settlements report for <ol style="list-style-type: none"> 1) EDAM resource Settlements extended from DAM, and DAME 2) TSR for En/IR/RC 3) TRR allocation 4) EDAM GMC 5) RTM deviation Settlements for En/GHG/FRP/TSR 6) BCR
	Expected Settlement Outcome	Specific charge codes will be provided as they are made available.

 California ISO <small>Shaping a Renewed Future</small>	Market Simulation Templates Program Office	Template Version:	1.1
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Scenario Number	Unstructured scenario	
2	Description	DA- RSE tests
	EDAM Market Participant Actions	Submit TSR Limits
	ISO Actions	Run RSE and publish results.
	ISO Market Participant Actions	N/A
	Expected Outcome	Entity view the RSE test results between 6AM- 10 AM
	Anticipated Settlement Outcome	N/A
	Expected Settlement Outcome	N/A

Scenario Number	Unstructured scenario	
3	Description	Demonstrate constraint activation and adjustments
	EDAM Market Participant Actions	Submit 1) Activate/deactivate constraint status for Flowgates/ Nomogram constraints/ Contingencies. 2) Net transfer out constraint activation. 3) DR adjustment for load
	ISO Actions	Adjust the constraints as needed
	ISO Market Participant Actions	N/A
	Expected Outcome	N/A


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		Effective Date	8/29

Scenario Number	Unstructured scenario	
	Anticipated Settlement Outcome	N/A
	Expected Settlement Outcome	N/A

Scenario Number	Structured scenario	
4	Description	Demonstrate Surcharge for RSE failure on upward deficiency
	EDAM Market Participant Actions	N/A
	ISO Actions	ISO will adjust IRU requirements to enable DA-RSE failures.
	ISO Market Participant Actions	N/A
	Expected Outcome	Market participant to review the Surcharge <ul style="list-style-type: none"> • Tier 1 Hourly deficiency less than max of 10 MW or BAA forecast error for IRU, no surcharge. BAA is not eligible for surcharge revenue • Tier 2 Hourly deficiency is less than the 50% procurement requirement of IRU, calculate surcharge $1.25 * [(interval\ shortfall * BAA\ LAP\ LMP\ load\ weighted\ average)]$ • Tier 3 Hourly deficiency is larger than 50% requirement IRU, calculate surcharge $2.0 * [(interval\ shortfall * BAA\ LAP\ LMP\ load\ weighted\ average)]$
	Anticipated Settlement Outcome	Surcharge appears on settlements statements
	Expected Settlement Outcome	Specific charge codes will be provided as they are made available.

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Scenario Number	Structured scenario	
5	Description	Demonstrate 1% penalty increase to On-Peak Upward Deficiency for every additional Day of RSE Failure Retroactive 30 Day-Period
	EDAM Market Participant Actions	N/A
	ISO Actions	ISO will adjust IRU requirements to enable DA-RSE failures for consecutive days.
	ISO Market Participant Actions	N/A
	Expected Outcome	<p>Market participant to review the additional Surcharge for consecutive day RSE failure</p> <ul style="list-style-type: none"> • Tier 2 Hourly deficiency is less than the 50% procurement requirement of IRU, calculate surcharge $(1.01)^{(\text{Number of consecutive days})} * 1.25 * [(\text{interval shortfall} * \text{BAA LAP LMP load weighted average})]$ • Tier 3 Hourly deficiency is larger than 50% requirement IRU, calculate surcharge $(1.01)^{(\text{Number of consecutive days})} * 2.0 * [(\text{interval shortfall} * \text{BAA LAP LMP load weighted average})]$
	Anticipated Settlement Outcome	Surcharge appears on settlements statements
	Expected Settlement Outcome	Specific charge codes will be provided as they are made available.

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Scenario Number	Structured scenario	
6	Description	Demonstrate Surcharge for RSE failure on downward deficiency
	EDAM Market Participant Actions	N/A
	ISO Actions	ISO will adjust IRD requirements to enable DA-RSE failures.
	ISO Market Participant Actions	N/A
	Expected Outcome	Market participant to review the downward deficiency surcharge with the floor of 10 MW.
	Anticipated Settlement Outcome	Surcharge appears on settlements statements
	Expected Settlement Outcome	Specific charge codes will be provided as they are made available.

3. ISO Market Simulation Contact

Please contact MarketSim@caiso.com if you have any questions or concerns regarding these scenarios.