is physical congestion between the intertie point and load in the importing BAA. The price at the importing BAA's side of the intertie is $37/MWh and the price load pays is $45/MWh. There are $8/MWh ($800) of congestion entirely between the transfer point on the intertie and load within the importing BAA, which is included in the EDAM Congestion Revenue metric for the importing BAA. Overall, of the $2,000 of congestion and transfer revenues collected by the market in the example, the exporting BAA is allocated $850 ($500 Congestion Revenue plus $350 Transfer Revenue) and the importing BAA is allocated $1,150 ($800 Congestion Revenue plus $350 Transfer Revenue).

- **Wheeling Revenues**: EDAM members tend to collect less wheeling revenue compared to the Status Quo Case because all EDAM participants allow their transmission to be used in the market absent the normal wheeling fee. Therefore, EDAM members are likely to sell less short-term transmission service as a result of being in the market, and collect less wheeling revenue.
- **WEIM Congestion Revenues**: members of the WEIM receive congestion revenues that are collected by CAISO and allocated to members. In both the Status Quo Case and the EDAM Case, we calculate WEIM congestion revenues and allocate them to all member BAAs in the WEIM. However, in the EDAM Case for the EDAM member BAAs, we see a slight reduction in the amount of congestion revenue collected from the WEIM because the implementation of the EDAM reduces the amount of economic markets transactions in the WEIM.
- **Bilateral Trading Profits:** the last line item in Figure 9 shows the lost profits from day-ahead bilateral trading due to EDAM participation. In joining the EDAM, some of the members bilateral trades are replaced by EDAM trades. EDAM members will continue to trade bilaterally, particularly with non-EDAM members or with EDAM members prior to when the market clears. However, the volume of bilateral trading is likely to decrease with EDAM membership. This bilateral trading profit metric includes all types of bilateral trades discussed in the previous section, including CAISO intertie trades, block trades at the major hubs, and BAA-to-BAA hourly trades. It represents an offsetting reduction in revenues for EDAM members, as profitable bilateral trades will be now be executed within the EDAM. Some of this loss may be borne by third-party power marketers. If third parties are currently using short-term transmission service from EDAM members to executive bilateral transactions those trading opportunities may displaced by EDAM after the day-ahead market is implemented.

We also calculated the **Transmission Revenue Recovery (TRR) settlement** amount for each study participant and CAISO, which reflects the process outlined in the EDAM design to compensate members for lost wheeling revenues. The process calls for transferring revenue