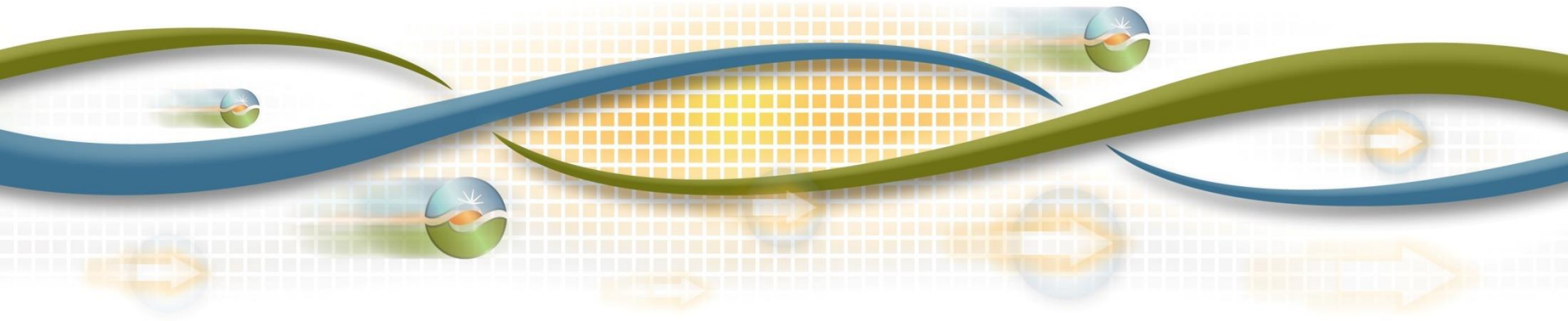




Metering Rules Enhancements

Draft Final Proposal Second Supplement

Stakeholder web conference
September 12, 2016
10:00 – 12:00 (Pacific Time)



Agenda

Time	Agenda Item	Speaker
10:00-10:10	Introduction, stakeholder process	Tom Cuccia
10:10-10:50	Draft final proposal second supplement	Tom Flynn
10:10-11:00	Next Steps	Tom Cuccia

ISO Stakeholder Initiative Process

POLICY DEVELOPMENT

Issue Paper and
Straw Proposal

Revised Straw
Proposal

Draft Final
Proposal

First
Supplement

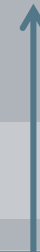
Second
Supplement

Board

Stakeholder
Input



We are here



Stakeholder process schedule

Step	Date	Event
Issue Paper and Straw Proposal	February 23	Post issue paper and straw proposal
	March 3	Stakeholder web conference
	March 17	Stakeholder comments due
Revised Straw Proposal	April 19	Post revised straw proposal
	April 26	Stakeholder web conference
	May 10	Stakeholder comments due
Draft Final Proposal & First Supplement	June 7 & June 16	Post draft final proposal
	June 14	Stakeholder web conference
	June 28	Stakeholder comments due
Draft Final Proposal Second Supplement	September 1	Post second supplement
	September 12	Stakeholder web conference
	September 19	Stakeholder comments due
Board Approval	TBD	Board of Governors meeting

Draft Final Proposal Second Supplement

MRE Recap: Proposed enhancements will provide additional metering flexibility and reduce cost to participate in ISO markets

- SCs will be provided the option to submit SQMD for all market resources they represent.
- SCs selecting this option will be required to submit a “SQMD Plan” for ISO review and approval to ensure accuracy/integrity of meter data used in settlements.
- Existing metered entities will have option to retain current metering requirements and maintain their status quo.



Proposed enhancements may lead to expanded use of SCME

Context and need for draft final proposal second supplement

- ISO tariff requires SCs to submit SQMD in intervals of five minutes.

Subject to any exemption granted by the ISO, SCs must ensure SQMD submitted to ISO is in intervals of 5 minutes for loads and generators providing ancillary services and/or imbalance energy, and 1 hour for other SCMEs. (Section 10.3.2.2)

- Class exemptions granted in 2014 allows SCs to submit SQMD at larger intervals.
- June 7 draft final proposal recommended revising the tariff such that the rule in section 10.3.2.2 and for all resources is consistent with these class exemptions.
- Creates an unintended consequence: Expanded use of SCME will allow a greater number of resources to take advantage of these class exemptions.

Second supplement will have desired effect of moving market participants toward submittal of SQMD in intervals of 5 minutes

- ISO dispatches resources and settles with those resources on a 5-minute basis.
- Aligning the measurement and submittal of SQMD with this same 5-minute basis results in
 - higher accuracy of the payments (or charges) to the resource and
 - lowering of any necessary offset allocations.
- It is desirable for measurement and submittal of SQMD to be on the same 5-minute interval basis as dispatch and settlement.

Second supplement proposal

- Discontinue the two class exemptions and replace with the following.
- Existing entities participating under these class exemptions as of the effective date would be granted an automatic two-year period to transition to SQMD submittal in intervals of 5 minutes.
- “Effective date” = the effective date of FERC’s acceptance of the proposed MRE tariff revisions.

Second supplement proposal (continued)

- New entities will be required to submit SQMD in intervals of 5 minutes.
- However, if a new entity can demonstrate that it cannot meet this requirement, then the ISO will consider exemption requests from such entities on a case-by-case basis.
- If the request is granted, then the entity will have up to two years to transition to SQMD submittal in intervals of 5 minutes.

Second supplement proposal (continued)

- If existing or new entities granted an exemption have made progress toward meeting the requirement but need a small amount of additional time to complete the transition, then the ISO may consider requests for extension on a case-by-case basis.

Next Steps

Request stakeholder comments by COB September 19th

Be sure to use comments template provided

Submit to comments mailbox:
initiativecomments@caiso.com

Step	Date	Event
Draft Final Proposal Second Supplement	September 1	Post draft final proposal second supplement
	September 12	Stakeholder web conference
	September 19	Stakeholder comments due

Thank you!