

This document is a general overview of the requirements and provides helpful information to assist in the Congestion Revenue Rights (CRR) registration process. For additional information and detail of the process, refer to the Business Practice Manual (BPM) or SC Certification link below.

## IMPORTANT NOTE:

Load Serving Entities (LSEs) should apply to become a Candidate CRR Holder so that they can participate in the CRR Allocation process to request CRRs. CRRs are important to LSEs since they are a financial instrument used to offset congestion charges for the scheduled load in the Day Ahead Market (DAM). These entities are allocated CRRs based on the load serving obligation of the LSE. The CRR agreement needs to be executed and in place at least 60 days prior to the proposed commencement of serving and scheduling load so that CRRs can properly be awarded to the LSE. In addition this timing will allow for the LSE to participate in the load migration process and provide load forecast data to be in sync with the CEC load forecast. A load serving entity may be a new municipal, a new utility, a new energy service provider or a community choice aggregator, any entity defined by the CPUC and CEC to serve load or an entity that falls under the definition of Load Serving Entity as provided in the CAISO tariff.

## **Minimum Participation Requirement (FERC Order 741)**

Each prospective CRR Candidate must satisfy the following capitalization requirements:

Market participant or its guarantor must have at least:

- \$1 million in tangible net worth or
- \$10 million in total assets, or
- Post financial \$500,000 cash or a letter of credit

Refer to the [Credit Management BPM](#)

## **Quick Notes**

- **Application Fee: (non-refundable)**
  - \$1000
- **Approximate Completion Timeline:**
  - **60 days (2 months) after application is accepted and approved**
  - Actual completion is contingent on timely submission of requested forms, training completion and completion of testing by the SC applicant.
- **Contact Information:**
  - [SCRequests@caiso.com](mailto:SCRequests@caiso.com) or call 916-608-1246 or 916-608-1133
- **Please refer to the:** [BPM for Candidate CRR Holder Registration](#)

## **CRR Agency representation**

A CRR applicant may have a CRR agent. A load serving entity will generally enlist a Scheduling Coordinator (SC) to schedule their load in the ISO markets. Request the CRR Agency letter template from [SCRequests@caiso.com](mailto:SCRequests@caiso.com)

# CRR Registration Overview



## Application Submittal

The following steps are for submitting an SC application to the ISO.

Step	Action
1	Complete the CRR Application. The CRR application can be found in the Candidate CRR Holder Registration BPM in the BPM library <a href="https://bpmcm.caiso.com/Pages/BPMLibrary.aspx">https://bpmcm.caiso.com/Pages/BPMLibrary.aspx</a>  <b>Note:</b> Be sure the application is complete and signed.
2	Send a hardcopy of the application, including the \$1000.00 non-refundable application fee to:  California ISO Customer Service and Stakeholder Affairs ATTN: Candidate CRR Holder Application Processing Office 250 Outcropping Way Folsom, CA 95630  <b>Note:</b> Check or money order needs to be payable to: <b>California Independent System Operator</b>
3	Send an email to <a href="mailto:SCRequests@caiso.com">SCRequests@caiso.com</a> indicating application is being sent.

After submittal of application and fee, the ISO will review content, confirm acceptance of the application, and schedule a call to walk through each of the requirements.

## Requirements for completing registration

To complete the CRR registration process, an entity must do the following:

- Complete all required training
- Complete Electronic Funds Transfer testing to set up bank account
- Submit required financial security as applicable
- Submit all required documentation, including all required agreements

## Required Training

The Candidate CRR Holder applicant is required to complete CRR computer based training (CBT), which consists of:

- Congestion Revenue Rights Overview - CBT
- Congestion Revenue Rights MUI and SRS Overview – CBT
- Congestion Revenue Rights MUI Training – Allocation and/or
- Congestion Revenue Rights MUI Training – Auction

The training CBTs are available on the ISO website > Participate > Training at  
<http://www.caiso.com/participate/Pages/Training/default.aspx>

- Markets training > Congestion Revenue Rights

## **Required Bank Account Testing**

### **1. ACH or Fed Wire Test**

This requirement ensures that an SC applicant can submit payments to/and receive payment from the ISO. The SC applicant is required to test its ACH or Fed-Wire funds transfer.

Form used to initiate test: [ISO Electronic Funds Transfer Form](#)

## **Required Financial Security**

The ISO recommends that a CRR applicant understand its financial security requirement prior to submitting the CRR Application Form, to ensure the financial security requirement can be completed in a reasonable timeframe.

[BPM for Credit Management and additional Credit Policy Documents](#)

## **FERC Order 741**

The scheduling coordinator applicant must complete the Officer Certification form and submit a copy of their current risk policies, procedures and controls.

## **User Access Administrator (UAA)**

Minimally, a primary and secondary User Access Administrator (UAA) must be established for each company. This allows the ISO continued communications with an entity regarding user access requests and reissues. The establishment of UAAs must be made by an individual at the external entity that has an appropriate level of authority to designate UAAs. All Application Access Request Forms (AARFs) must be submitted by a designated UAA. The designated UAA must understand and agree with the terms stated in the User Access Administrator Establishment and Requirements document. Refer to the <http://www.caiso.com/Documents/ISO-UserAccessAdministratorEstablishment-Requirements.pdf> User Access Administrator Agreement - <https://na2.docuSign.net/Member/PowerFormSigning.aspx?PowerFormId=4d8a3766-06d8-4074-9371-4df17f745f34>

## **System Requirements**

n CRR applicant must establish a network interface. This requirement enables the CRR applicant to have access to the appropriate ISO systems.

## **Master File Update**

Once all the requirements have been met, all documentation submitted and all applicable scheduling coordinator agreements are fully executed, the ISO Master File will then be updated with the SCID. Master File updates will not be requested until all the required agreements are signed, returned to the ISO, and signed by an ISO officer. This is a compliance requirement. (SAS70).

The Master File update propagates the various systems with the Candidate CRR data and in turn initiates the process to generate passwords and allows access for the applicable systems. Access for the various systems is requested once Master File is updated with an effective date for the SCID.

**Note: The effective date in the Master File is not the initial trade date. The initial trade date is based on obtaining the digital certificate and having access provisioned, which can be at least an additional 5 -10 business days after the access requests are submitted and approved.**

# CRR Registration Overview



## CAISO Market Applications/Systems

In order to gain access to the ISO market applications, the CRR applicant must have a UAA registered with the ISO. The UAA then gains access to the Access Identity Management (AIM) system. The Candidate CRR Holders UAA can request certificates and provision access to ISO market applications through the AIM tool once the Master File has been updated with an effective date for the SCID. Link to the application access web page: [CAISO Market Applications](http://www.caiso.com/participate/Pages/ApplicationAccess/Default.aspx)

Some Candidate CRR Holders also want access to specific data sets that require a non-disclosure agreements. These must be executed in advance of requesting access. The information for these non-disclosure agreements can also be found on the ISO web site Participate > Application access > Non-disclosure agreements.

<http://www.caiso.com/participate/Pages/ApplicationAccess/Default.aspx>

The two that most Candidate CRR Holders request are:

- Congestion Revenue Rights Full Network Model
- Protected Data

## Required Documents

The following table lists each required document and its purpose. After the application and fee are received and approved, the SC applicant is assigned a coordinator who will set an initial conference call and will go over each requirement in greater detail.

Doc Name	Purpose
Information Request Sheets* for the appropriate agreements	The information from these documents is used to complete the actual agreement(s). Submit this form early in the process to allow time for agreement preparation.  Agreement Information Requests Sheets can be found on this web page under Pro forma agreements. <a href="http://www.caiso.com/rules/Pages/ContractsAgreements/Default.aspx">http://www.caiso.com/rules/Pages/ContractsAgreements/Default.aspx</a>  <b>Important:</b> Use the company's <b>exact full legal name</b>
Electronic Funds Transfer form	Form used to test the transfer of funds to and from the ISO via fed wire or ACH. The tested bank account data is updated in production system when the master file system is updated. <a href="http://www.caiso.com/Documents/ISO_PaymentSelectionInstructions-EFT-Form.doc">http://www.caiso.com/Documents/ISO_PaymentSelectionInstructions-EFT-Form.doc</a>
Officer Certification form	FERC Order requirement to submit a signed form. <a href="http://www.caiso.com/Documents/ISOFormOfficerCertification.doc">http://www.caiso.com/Documents/ISOFormOfficerCertification.doc</a>  In addition, the applicant must also submit a copy of their risk management, procedures and controls documentation. These are reviewed and approved by the ISO Finance team.
ISO Affiliate and Resource Control Agreement Disclosure form	Part of the local market power mitigation requirement, all SC applicants are required to submit the affiliate form and if scheduling physical energy, the resource control agreement form as applicable. <a href="http://www.caiso.com/Documents/ISOAffiliationResourceControlAgreementDisclosureForm.xls">http://www.caiso.com/Documents/ISOAffiliationResourceControlAgreementDisclosureForm.xls</a>
User Access Administrator agreement	User Access Administrator (UAA) designation form provides the name of the primary and secondary authorized persons to submit the application access request forms. <a href="http://www.caiso.com/participate/Pages/ApplicationAccess/Default.aspx">http://www.caiso.com/participate/Pages/ApplicationAccess/Default.aspx</a>
CRR Agreement	Upon completion of <u>all</u> requirements, the agreement will be issued for signature. <b>Note:</b> The information for these agreement is provided on the Information Request Sheets.*

**For additional questions regarding Candidate CRR Holder Registration:** Send an email to [SCRequests@caiso.com](mailto:SCRequests@caiso.com)