

29.27 CAISO Markets And Processes.

(a) In General. Except as provide in subsection (b) of this section, The the provisions of Section 27 that are applicable to the Real-Time Market shall apply to EIM Market Participants.

(b) Transition Period for New EIM Entities.

(1) Transmission Constraint Relaxation. For a period of six months following the Implementation Date of a new EIM Entity, the provisions of Sections 27.4.3.2 and the second sentence of Section 27.4.3.4 shall not apply to constraints that are within Balancing Authority Areas of the new EIM Entity or affect EIM Transfers between the Balancing Authority Areas of the new EIM Entity and any other EIM Entity that is subject to this subsection (b). For the those intervals that experience infeasibilities described in those provisions, the CAISO shall instead determine prices consistent with the provisions of Sections 27, 34, and Appendix C, that would apply in the absence of Section 27.4.3.2 and the second sentence of Section 27.4.3.4.

(2) Flexible Ramping Constraint: For a period of six months following the Implementation Date of a new EIM Entity, the CAISO shall set the Flexible Ramping Constraint parameter specified in Section 27.10, for pricing purposes, for the new EIM Entity Balancing Authority Area, at an amount between and including \$0 and \$0.01.

(3) Extension of Transition Period Pricing. The CAISO may seek from the Federal Energy regulatory Committee an extension of the Transition Period, not to exceed an additional 6 months, if after consultation with the new EIM Entity it is determined that the continuing infeasibilities are not the result of an absence of physical capability. Such determination shall be posted to the CAISO website no less than 60 days prior to the expiration of the 6 month transition period. ~~, further approved by the Federal Energy Regulatory Commission, the initial six-month transition period is extended for the EIM Entity Balancing Authority Areas as~~

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specified below:

(a) To be determined.

(b) To be determined.

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Note to reviewers: The tariff will specify only a six-month transition period for all new EIM entities. The transitional period is necessary protect against learning curve and implementation challenges likely to occur for entities that transition to operating in a market environment for the first time. If a new EIM entity requires additional time, after go live, the ISO will amend its tariff pursuant to Section 205 of the FPA and request that the transitional pricing apply for an additional amount of time as necessary.

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