



## Decision on EIM year 1 enhancements phase 2

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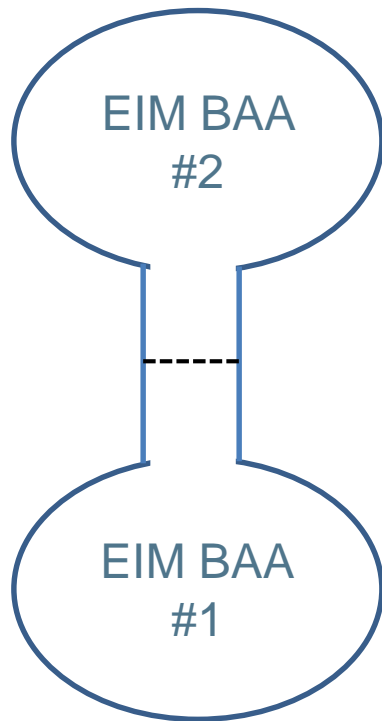


## EIM year 1 enhancements initiative phase 2 includes the following minor design changes:

- Modify the split of congestion revenues resulting from EIM transfers between balancing authority areas
- Modify the market power mitigation process to always include EIM transfer limits
- Specify how EIM entities accept imports and exports to include in their base schedules
- Allow the ISO to provide outage information on behalf of an EIM entity to the regional reliability coordinator

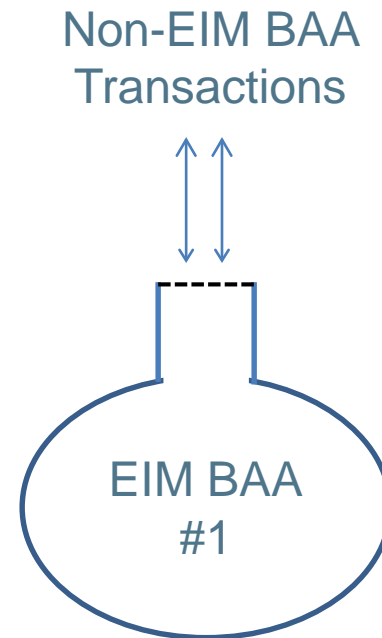
# Market enforces intertie scheduling constraints between balancing authority areas (BAA).

EIM Internal Intertie



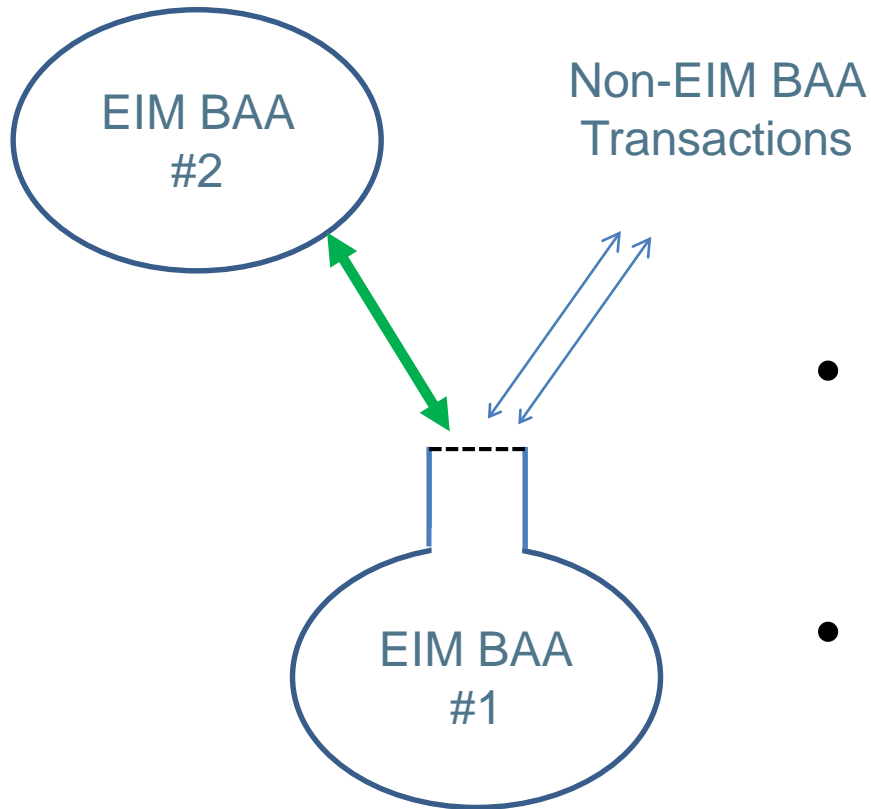
Share congestion revenues

EIM External Intertie



Congestion revenues 100% EIM #1

In the case of a simultaneous intertie scheduling constraint and EIM transfer constraint, Management proposes...



- Congestion revenues on intertie scheduling limit 100% to EIM #1
- Congestion revenues on transfer limit 100% to EIM #2

----- Intertie scheduling constraint  
↔ EIM transfer constraint

Stakeholders generally support the proposed design changes.

- Management has worked closely with Department of Market Monitoring on the congestion revenue proposal
- Management will monitor EIM performance to determine whether an EIM-wide transmission charge or flow entitlements should be considered

Management recommends the Board approve phase 2 of the proposed EIM design changes.

- Resolves implementation matters
- Standardizes appropriate elements across EIM entities
- Allows EIM entities to reduce costs by leveraging existing software