



Estimation of UFE Beginning Trade Date January 19, 2013 Detail Document

California ISO	Version: 1.0
Estimation of UFE Beginning Trade Date January 19, 2013 Detail Document	Last Updated: 02/06/2013

As communicated in market notices sent on Tuesday, February 5, 2013, and Wednesday, February 6, 2013, the ISO has been experiencing intermittent problems with its revenue meter data acquisition and processing system. These problems do not affect meter data submitted by scheduling coordinator metered entities, but do affect meter data for ISO metered entities, including ISO polled meters at interconnections between utility service areas. The lack of meter data at interconnections between utility service areas affects the calculation of settlement charges for UFE reflected on the T+12B recalculation statement by increasing them significantly.

To mitigate the financial impact to market participants, the ISO is temporarily estimating Charge Code 6474 Unaccounted for Energy to be zero beginning with statements publishing for trade date January 19, 2013 forward. This estimation of UFE, which is being done under the authority granted in Section 11.29.10.5 of the ISO tariff, does not affect either the charge code configuration output file or the business practice manuals (BPMs).

The UFE settlement calculated for the T+12B recalculation settlement statement will be estimated as zero via removal of the input bill determinant UFE_InclusionFlag. Represented as UDC_UFE_INCL in the CAISO bill determinant and charge code configuration output files, this input is classified as standing data and is logically removed as an input on the T+12B recalculation statement beginning trade date January 19, 2013, by setting the end date to January 18, 2013. Because the inclusion flag is removed as an input, the UFE quantity and the respective UFE amount for each utility service area is calculated as zero.

The resulting estimation is a more accurate reflection of UFE settlement than the inflated amounts that would have generated otherwise due to missing interconnection meter data. It would be possible for the ISO to use an even more accurate estimate of UFE that produces a non-zero result, but an estimation of zero UFE is a solution that is simple and avoids short-notice changes to charge code configuration and BPMs. In contrast to other possible solutions, such as attempting to estimate meter data for interconnections between utility service areas, estimation of UFE allows ISO's resources to continue to address the more pressing issue related to its revenue meter data acquisition and processing system.

Estimation of UFE is limited to the T+12B recalculation statement. By default the estimation of UFE does not apply to the T+3B initial statement because the assessment of UFE is already excluded from the initial statement. For the T+55B recalculation statement, polled meter values at the interconnections between utility service areas utilized previously as inputs on the respective T+12B recalculation statement will be used again for calculation of UFE on the T+55B recalculation statement.

The ISO expects that the meter data issue will be resolved in time to accurately assess UFE on the subsequent T+55B recalculation statements. Once polled meter data is available, the temporary estimation of UFE on the T+12B recalculation statements will end by re-activation of the UFE inclusion flag.