

MRTU FERC Order: Interruptible Imports

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CAISO-MRTU/MAR November 22, 2006



Background

- September 21, 2006 FERC Order
- Paragraph 389:

...We agree with SoCal Edison that the MRTU Tariff needs clarification as to how the CAISO will handle the sale of interruptible imports in the day-ahead market. We direct the CAISO to make a compliance filing within 60 days of the date of this order clarifying the processes for handling interruptible imports in the MRTU Tariff.



Issue

- An SC is responsible for the Operating Reserve obligation equal to 100% of Interruptible Import
- Unless Interruptible Import is Self-Schedule the CAISO will not know how much additional Operating Reserve to procure to cover Interruptible Import in advance of running simultaneous optimization of Energy and A/S

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Recommendation

- Interruptible Imports will be supported under MRTU
- Interruptible Imports must be Self-Scheduled
- CAISO will adjust Ancillary Service requirements based on the quantity of Self-Scheduled Interruptible Imports accordingly to meet WECC MORC
- Operating Reserve obligation equal to 100% of the quantity of the Self-Schedule Interruptible Import will be allocated to Scheduling Coordinator scheduling the Interruptible Import

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Proposed Tariff Changes

30.5.2.4 Supply Bids for System Resources.

In addition to the common elements listed in Section 30.5.2.1, Supply Bids for System Resources shall also contain: the relevant Ramp Rate; Start-Up Bid; and Minimum Load Bid. Start-Up Bids and Minimum Load Bids for System Resources, except for Dynamic or Non-Dynamic System Resources must be zero. Dynamic or Non-Dynamic Resource-Specific System Resources may submit non-zero Start-Up and Minimum Loads Bids. Dynamic and Non-Dynamic Resource Specific System Resources must register resource specific information in the Master-File in a similar manner as Generating Units and are eligible to participate in the Day-Ahead Market on an equivalent basis as Generating Units and are not obligated to participate in RUC or the RTM if the resource did not receive a Day Ahead Schedule unless the resource is a Resource Adequacy Resource. If the Resource Specific System Resource is a Resource Adequacy Resource, the resource is obligated to make itself available to the CAISO market as prescribed by Section 40.6. Dynamic Resource-Specific System Resources are also eligible to participate in the HASP and RTM on an equivalent basis as Generating Units. Non-Dynamic Resource-Specific System Resources will be treated like other System Resources in the HASP and RTM. The quantity (in MWh) of Energy categorized as Interruptible Imports must also be identified as Self-Scheduled and included in the Bid. Bids submitted to the Day-Ahead Market for ELS Resources will be applicable for two days after they have been submitted and cannot be changed the day-after they have been submitted.



Proposed Tariff Changes

- 34.16.2 Dispatch of Self-Provided Ancillary Services.
 - Where a Scheduling Coordinator has chosen to self-provide the whole of the additional Operating Reserve required to cover any Interruptible Imports which it has <u>Self-S</u>scheduled and has identified specific Generating Units, Participating Loads, System Units or System Resources as the providers of the additional Operating Reserve concerned, the CAISO shall Dispatch only the designated Generating Units, Participating Loads, System Units or System Resources in the event of the CAISO being notified that the On Demand Obligation is being curtailed. For all other Ancillary Services which are being self-provided the Energy Bid shall be used to determine the Dispatch, subject to the limitation on the Dispatch of Spinning Reserve and Non-Spinning Reserve set forth in Section 34.10.
- Interruptible Imports: Energy sold by a Generator or resource located outside the CAISO Controlled Grid which by contract can be interrupted or reduced at the discretion of the seller. <u>An Interruptible</u> Import must be Self-Scheduled.

Grayed text denotes language in November 20 compliance filing.



Stakeholder Process

- November 20: Posted draft MRTU Tariff language to CAISO Website
- November 21 through December 5: Stakeholder review and comment period
 - Submit comments to: MRTUTariff@caiso.com
- December 8: Conference call from 1:00pm 4:00pm (PST)
 - Call-In #: (888) 428-4471
 - Purpose of conference call is to respond to remaining questions prior to filing tariff language
- December 20: File MRTU Tariff language with FERC