



BPM Change Management Meeting

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- Calls are structured to stimulate an honest dialogue and engage different perspectives.
- Please keep comments professional and respectful.

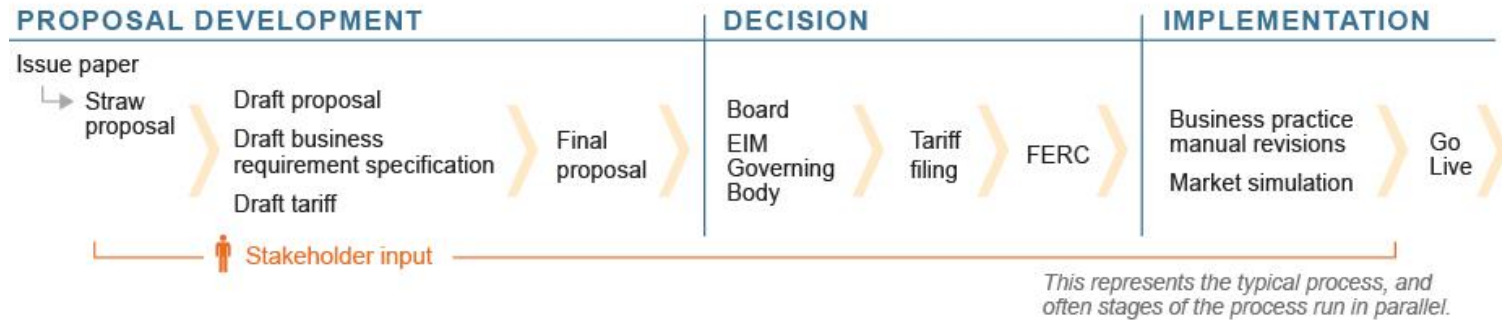
Agenda – BPM Change Management Meeting

May 25, 2021

Topic	Presenter
Introduction / Meeting Overview	Isabella Nicosia
Discussion of active proposed changes: Metering BPM Direct Telemetry BPM Settlements and Billing BPM Energy Imbalance Market BPM Market Operations BPM Market Instruments BPM Outage Management BPM Reliability Requirements BPM Demand Response BPM	Priyanka Namburi Priyanka Namburi Brenda Corona Jamal Batakji Jamal Batakji Jamal Batakji Kalyani Abhyankar Melanie Bogen, Catalin Micsa Hewayda Ahmed
Wrap-Up and Next Steps	Isabella Nicosia

BPM Change Management Process
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California ISO Stakeholder Initiative Process



- Business Practice Manuals
 - The purpose of BPMs is to set forth business practices that implement the ISO tariff.
 - The ISO conducts a yearly policy initiative roadmap process to consider and rank initiatives.
 - *Policy changes submitted through the PRR process will be referred to the policy initiative road map process.*
 - Each subject area in a BPM is based on enabling language in the ISO tariff.
 - *The PRR process cannot be used to introduce changes that are not supported by existing tariff authority.*

Metering BPM

PRR	PRR Title	Stage
1352	Distribution credit factor requirement and energy imbalance market load aggregation point description	Initial

PRR 1352 – Distribution credit factor requirement and energy imbalance market load aggregation point description

- Reason for revision
 - New Section 6.1.5
 - Added information for ELAP calculation
 - Updated Section 5.1.1 to include DCF requirement
 - Effective date is 7/1/21
- Initial comments:
 - No comments submitted
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

Direct Telemetry BPM

PRR	PRR Title	Stage
1351	Distribution credit factor requirement	Initial

PRR 1351 – Distribution credit factor requirement

- Reason for revision
 - Adding a requirement that DCF should also be included in the Telemetry. Effective Date 7/1/2021.
- Initial comments:
 - No comments submitted
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

Settlements and Billing BPM

PRR	PRR Title	Stage
1350	Created 6483 hour-ahead scheduling process uplift settlement, and 6484 hour-ahead scheduling process uplift settlement allocation to accommodate the changes as per the real time market import & export market incentives during tight system conditions	Initial
1339	To exempt internal pseudo-tie resources from intertie deviation settlement (IDS) penalty and to exempt resources	Initial
1338	Update measured demand precalc to fix pro-ration for load aggregation point neutrality and CC 8835 allocations	Initial
1335	Update CC 7020 reliability must run capacity payment BPM to clawback excess revenue when reliability must run designation is for system transmission access charge area	Recommendation

PRR 1350 – Created 6483 hour-ahead scheduling process uplift settlement, and 6484 hour-ahead scheduling process uplift settlement allocation to accommodate the changes as per the real time market import & export market incentives during tight system conditions

- Reason for revision
 - CAISO believes that under normal operating conditions it continues to be appropriate to clear hourly block imports and exports in the Hour-Ahead Scheduling Process Uplift and settle them at FMM prices without provisions for a make-whole payment to bid price. During very tight system conditions, the benefits of provisions for an import bid make-whole payment likely exceed the drawbacks. Consequently, the CAISO proposes provisions for bid cost make-whole payments for real-time market hourly block economic imports during tight system conditions.
 - The CAISO proposes that the imports eligible for a bid make-whole payment include:
 - Real-time market incremental energy that are incremental to any import amount scheduled in the day-ahead market.
 - Real-time market incremental energy that are the result of an export scheduled in the day-ahead market and reduced by the real-time market.
 - The effective date of the changes is 6/1/2021 and the anticipated implementation date is 6/29/2021
- Initial comments:
 - No comments submitted
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

PRR 1339 – To exempt internal pseudo-tie resources from intertie deviation settlement (IDS) penalty and to exempt resources

- Reason for revision
 - An issue was identified through a market participant dispute whereby the ADS penalty was incorrectly assessed against resources with valid ETC/TOR contracts. Configuration change to the formula for the Additional ADS Penalty Quantity has been applied to correct this settlement logic under CC 6456 impacting any market participant with a valid ETC/TOR contract.
 - Additional configuration changes have been made to create a new Factor Data. This new Factor Data applies only to market participants with internal pseudo-tie resources specifically contracted for IDS penalty exemption.
 - These change are being implemented as an emergency fix within the spring settlements release anticipated for deployment on 4/28/21 with a 2/1/21 effective date
- Initial comments:
 - No comments submitted
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

PRR 1338 – Update measured demand precalc to fix pro-ration for load aggregation point neutrality and CC 8835 allocations

- Reason for revision

- Issue detected with the capacity-based metered CAISO Demand allocation that goes into RAAIM Precalc (conduit only) and eventually used in CC 8835 Annual RAAIM Neutrality. This value - which is supposed to not include Excess Behind the Meter Production (EBTMP) values – instead got doubled EBTMP values at the CAISO total level.
- The settlement error on this LAP Neutrality allocation was that participating load does not contribute to the Default LAP metered CAISO Demand. In the pro-ration, while the numerator was correct, the denominator was not. The issue affected both post-EBTMP (1/1/2021 onwards) and pre-EBTMP calculations, but will be resolved using the same formula for those timeframes. Configuration guide for PC Measured Demand Over Control Area has been updated to fix these two separate issues. Minor change to expose attributes u (UDC) and M' (MSS ID) were also made for input change from this pre-calculation into CC 6475, CC 6985, and PC Real Time Congestion.
- The fix will be deployed on or about April 28, 2021.
- The effective date will be TD 1/1/2021 for the CC 8835 measured demand fix which impacts RAAIM PC and eventually CC 8835. However, the LAP neutrality allocation fix will be effective TD 8/1/2018.

PRR 1338 (cont.) – Update measured demand precalc to fix pro-ration for load aggregation point neutrality and CC 8835 allocations

- Initial comments:
 - No comments submitted
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

PRR 1335 – Update CC 7020 reliability must run capacity payment BPM to clawback excess revenue when reliability must run designation is for system transmission access charge area

- Reason for revision
 - Recent new data for RMR designation meant for system-wide TAC area exposed an error in the Settlements formulation under CC 7020 RMR Capacity Payment. Total excess revenues received by the RMR resource as calculated based on Tariff section 11.13 are not clawed back from the resource's RMR full capacity payment. This issue started with February 1, 2021 data in production. While the capacity payment to the resource as well as the allocation of costs were properly made when designation is for system TAC area, the expected claw back of excess revenues didn't occur for this specific type of designation.
 - Configuration guide for CC 7020 Daily RMR Capacity Payment has been updated. The changes are to formulas: updated one formula and reflected its new value in another formula that it feeds, and then remove one formula that is no longer needed.
 - The fix will be deployed on or about April 28, 2021 with an effective date of TD 1/1/2020. However, the actual effect will only start with TD 2/1/2021 as that is the first time an RMR resource was designated for system-wide TAC area. As customary for retroactive settlement, Trade Dates that were already settled prior to the production fix will be resettled with the scheduled recalculation for those trade dates.
- Recommendation comments:
 - No comments submitted
- Recommendation comment period expired:
 - May 18, 2021
- Next step:
 - Post final decision

Energy Imbalance Market BPM

PRR	PRR Title	Stage
1349	Summer readiness 2021 as it relates to the energy imbalance market BPM	Initial

PRR 1349 – Summer readiness 2021 as it relates to the energy imbalance market BPM

- Reason for revision
 - This change is related to summer readiness initiative focus on changes related to bid range capacity test, and changes related to the last solved advisory dispatch results.
 - Effective Date: June 15, 2021
- Initial comments:
 - PacifiCorp; submitted 5/18/21
 - SRP; submitted 5/18/21
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

Market Operations BPM

PRR	PRR Title	Stage
1348	Description of losses impact on POR energy LMPs	Initial
1345	Summer Readiness 2021 as it relates to market operations BPM and penalty prices	Initial
1344	Summer readiness 2021 as it relates to market operations BPM	Initial
1337	FERC order 831 compliance for energy cost recovery penalty prices	Recommendation
1334	State of charge reservation for regulation	Recommendation

PRR 1348 – Description of losses impact on POR energy LMPs

- Reason for revision
 - For resources that are physically located away from its corresponding POR, describe the impact the different loss components, and thus LMP marginal cost of losses, between those two locations has on energy prices. Furthermore, note that the market model uses the bids at the physical location when determining which resource is economical to dispatch.
- Initial comments:
 - PG&E; submitted 5/13/21
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

PRR 1345 – Summer Readiness 2021 as it relates to market operations BPM and penalty prices

- Reason for revision
 - This PRR is to address removing the higher priority that RUC exports are given in the real-time market. We also provided additional descriptions of the import leg and export leg of wheel through self-schedules to provide additional clarity. These BPM changes will be effective immediately since they do not require tariff changes.
- Initial comments:
 - SRP; submitted 5/18/21
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

PRR 1344 – Summer readiness 2021 as it relates to market operations BPM

- Reason for revision
 - This change is related to summer readiness initiative focus on reliability demand response dispatch and real-time price impact changes, management of storage resources during tight system conditions, real-time price during tight system conditions.
 - Effective date is 6/1/21
- Initial comments:
 - No comments submitted to date
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

PRR 1337 – FERC order 831 compliance for energy cost recovery penalty prices

- Reason for revision
 - This is related to FERC Order 831 compliance filing. This phase is related to the penalty prices at which the CAISO market will relax market constraints under the increased energy bid cap.
 - Effective Date: 3/20/2021
- Recommendation comments:
 - No comments submitted
- Recommendation comment period expired:
 - May 18, 2021
- Next step:
 - Post final decision

PRR 1334 – State of charge reservation for regulation

- Reason for revision
 - CAISO Tariff requires all resources awarded regulation are able to respond to automatic generator control (AGC) signals, the storage resources providing regulation must have sufficient state of charge to respond to automatic generator control signals.
- Recommendation comments:
 - WPTF; submitted 5/18/21
 - CESA; submitted 5/18/21
- Recommendation comment period expired:
 - May 18, 2021
- Next step:
 - Post final decision

Market Instruments BPM

PRR	PRR Title	Stage
1354	Market Instrument BPM cleanup	Initial
1353	Clarification of DOT breakdown for EIRs	Initial
1346	Summer Readiness 2021 as it relates to market instruments	Initial
1340	Average costs in generator resource data template	Initial
1336	FERC order 831 compliance for energy cost recovery price screening	Recommendation

PRR 1354 – Market Instrument BPM cleanup

- Reason for revision
 - These changes are being made to further clarify the CAISO's practices around the processing Reference Level Change Requests. The CAISO is also clarifying the content of certain CMRI reports
- Initial comments:
 - No comments submitted
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

PRR 1353 – Clarification of DOT breakdown for EIRs

- Reason for revision
 - Provide clarification that the negative SUPP component for EIRs is a result of market curtailment
- Initial comments:
 - PG&E; submitted 5/5/21
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

PRR 1346 – Summer Readiness 2021 as it relates to market instruments

- Reason for revision
 - This change is related to summer readiness initiative focus on Master File changes.
 - Effective date is 7/1/21
- Initial comments:
 - SRP; submitted 5/18/21
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

PRR 1340 – Average costs in generator resource data template

- Reason for revision
 - This is to clarify the expectation of the types of costs that can be included in the Average Costs field the Generator Resource Data Template.
- Initial comments:
 - No comments submitted
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

PRR 1336 – FERC order 831 compliance for energy cost recovery price screening

- Reason for revision
 - This is related to FERC Order 831 compliance filing. This phase is related to the price-screening methodology for import bids greater than \$1,000/MWh.
 - Effective Date: 3/20/2021
- Recommendation comments:
 - No comments submitted to date
- Recommendation comment period expired:
 - May 18, 2021
- Next step:
 - Post final decision

Outage Management BPM

PRR	PRR Title	Stage
1347	Summer readiness 2021 as it relates to resource adequacy enhancements phase-1	Initial

PRR 1347 – Summer readiness 2021 as it relates to resource adequacy enhancements phase-1

- Reason for revision
 - Include updates related to the RA enhancements phase 1 and changes related to the summer readiness effective from 06/01/2021.
- Initial comments:
 - No comments submitted
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

Reliability Requirements BPM

PRR	PRR Title	Stage
1343	Resource adequacy enhancements phase 1	Initial
1341	Maximum import capability (MIC) multi-year import allocation reservations and revisions to the remaining import capability allocation as well as increased transparency regarding import allocations	Initial

PRR 1343 – Resource adequacy enhancements phase 1

- Reason for revision
 - To include the new Resource Adequacy Enhancement (RAE) Phase 1 Tariff updates as well as some changes related to 2021 summer readiness.
 - Effective date is 6/1/21
- Initial comments:
 - PG&E; submitted 5/18/21
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

PRR 1341 – Maximum import capability (MIC) multi-year import allocation reservations and revisions to the remaining import capability allocation as well as increased transparency regarding import allocations

- Reason for revision
 - As a result of the Maximum Import Capability (MIC) stabilization and multi-year allocation stakeholder process, the California Independent System Operator Corporation (CAISO) is revising its available import capability allocation process in order to allow load serving entities to reserve import capability at the intertie level on a multi-year basis, consistent with their long-term import contracts, during each annual import capability allocation process. In addition, the CAISO proposes to revise its existing import allocation process to allocate Remaining Import Capability consistent with Load Share Quantity and to increase transparency by publishing information regarding import capability allocations at each Intertie.
 - Effective date is 6/1/21
- Initial comments:
 - No comments submitted
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

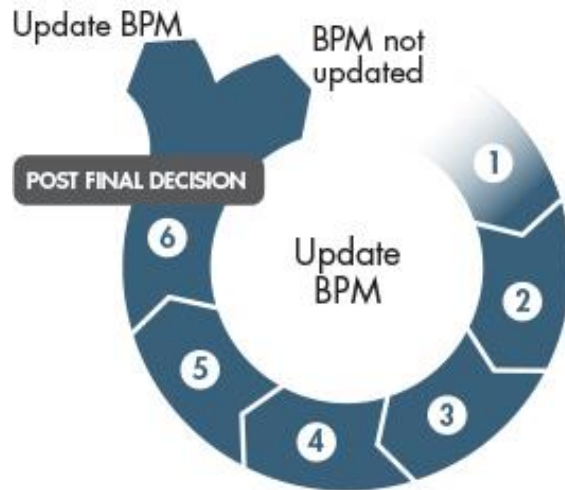
Demand Response BPM

PRR	PRR Title	Stage
1342	Updates to reliability demand response resource bid dispatch and addition of Appendix G to demand response BPM	Initial

PRR 1342 – Updates to reliability demand response resource bid dispatch and addition of Appendix G to demand response BPM

- Reason for revision
 - Updates to the RDRR Bid Dispatchable options are needed to align with Summer readiness. The addition of Appendix G is to provide additional information for the Load Cap Adjustment Request Form.
 - Effective date is 5/1/2021
- Initial comments:
 - No comments submitted
- Initial comment period expired:
 - May 18, 2021
- Next step:
 - Post recommendation

Next BPM PRR Review Monthly Meeting: June 22, 2021 @ 11 a.m.



- 1 SUBMIT PRR**
Proposed Revision Request (PRR) submitted to the ISO
- 2 COMMENTS PERIOD**
Upon ISO acceptance, PRR becomes public and 10-business day comment period starts
- 3 STAKEHOLDER MEETING**
PRR details and comments reviewed and discussed
- 4 RECOMMENDATION**
ISO recommendation issued on PRR
- 5 COMMENTS ON RECOMMENDATION**
10-business day comment period open on recommendation
- 6 STAKEHOLDER MEETING ON RECOMMENDATION**
PRR recommendation and comments reviewed

BPM change management
process questions:
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