



California ISO

# Real-Time Market Neutrality Settlement Draft Final Proposal

Stakeholder Call

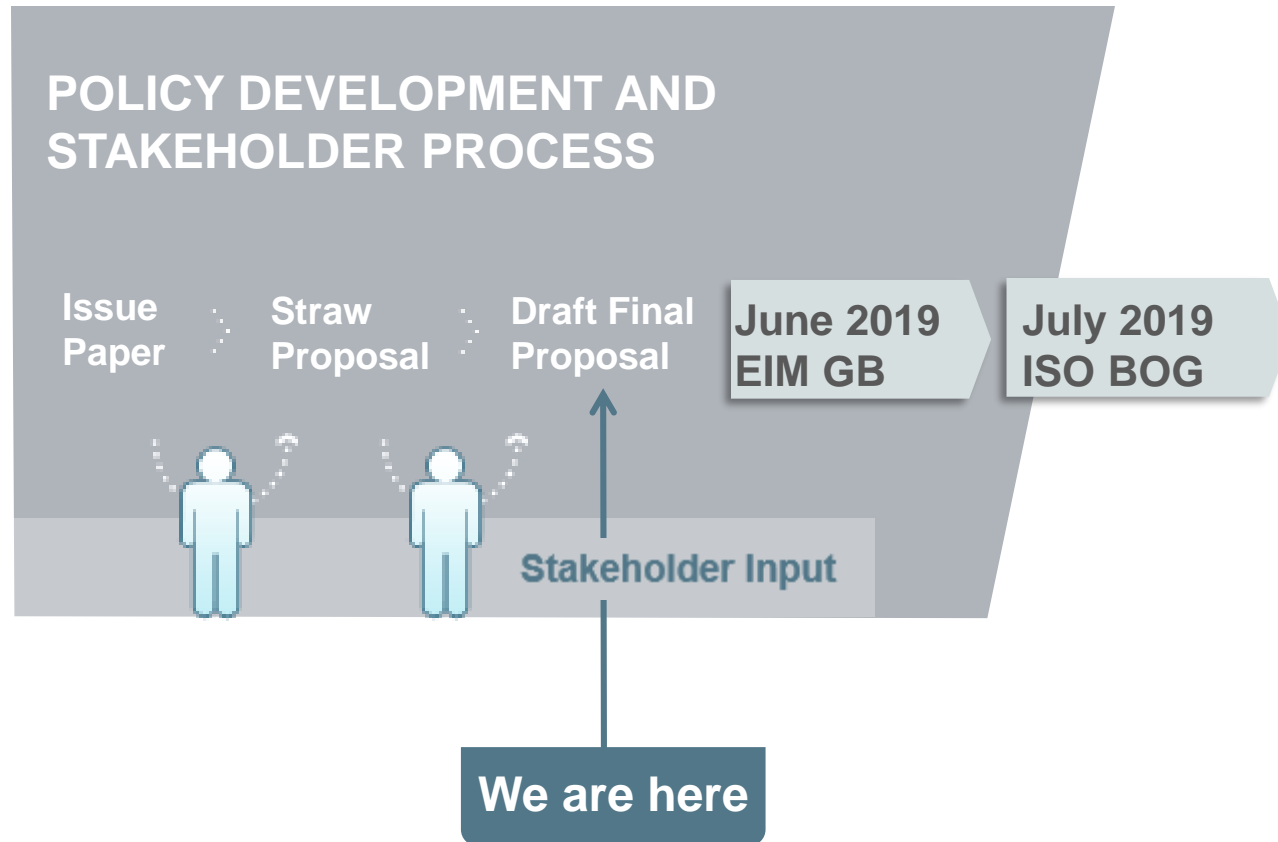
June 6, 2019

ISO PUBLIC

# Agenda

Time	Topic	Presenter
10:00 – 10:10	Welcome/Agenda	Kristina Osborne
10:10 – 11:00	Review Draft Final Proposal	Don Tretheway
11:00 – 11:50	Review Tariff Language	John Anders
11:50 – 12:00	Next Steps	Kristina Osborne

# ISO Policy Initiative Stakeholder Process



# Summary of proposed policy changes

- No longer perform real-time imbalance energy offset (RTIEO) transfer adjustment
- EIM transfer financial value uses...
  - System marginal energy cost (SMEC) with California BAAs
  - SMEC + GHG ( $\leq$  \$0.00) between non-California EIM BAAs
- BPM change to standardize how EIM entity updates EIM transfer system resource (ETSR) with 5 minute transfer value

## To correctly account for the financial value of EIM transfers:

- Step 1: Financial value energy on EIM transfers at SMEC
- Step 2: Financial value credit for GHG on EIM transfers between non-California BAAs
  - No GHG cost credit for any California BAA
  - Non-California BAA GHG cost credit is the net EIM transfer minus GHG awards to resources in that BAA
- Examples for non-California BAA GHG credit
  - Exporting 100MWh, GHG Award 25MWh = 75MWh charge
  - Importing 50MWh, GHG Award 25MWh = 75MWh credit
  - No EIM transfer, GHG Award 25MWh = 25MWh credit

## Please provide comments to inform BPM change to standardize ETSR 5-minute transfer value

1. RTD EIM Transfer Schedules are deemed delivered.
2. EIM BAA with ETSR tagging responsibility, submits ALL ATF EIM Transfer Values (MW) to Settlements through EIM Real Time Interchange Schedule. These values should be shaped to reflect RTD ETSR Dispatches.
3. Current tagging requirements remain in effect. Settlement shapes the submitted ETSR ATF values to reflect RTD ETSR Dispatches.

## Proposed tariff changes address three areas

- 11.5.4.1(a): Add financial value credit for GHG on EIM transfers between non-California BAAs
- 11.5.4.1(c): Delete section on RTIEO transfer adjustment
- Clarify use of terms “EIM Bid Adder” and “Marginal Greenhouse Gas Cost”

## Plan to file with FERC on July 31<sup>st</sup>

- Do not request expedited treatment by FERC
- Request waiver of 60 day notice period
- Request effective date of August 1, 2019
- Implement tariff changes Fall 2019
- If accepted, resettle back to August 1, 2019



# Proposed Initiative Schedule

Milestone	Date
Post Draft Final Proposal & Tariff	May 30, 2019
Stakeholder Conference Call	June 6, 2019
Stakeholder Comments Due	June 13, 2019
Tariff Stakeholder Call (Tentative)	June 26, 2019
EIM Governing Body Decision	June 28, 2019
Board of Governors Consent Agenda	July 24-25, 2019

Submit comments to [initiativecomments@caiso.com](mailto:initiativecomments@caiso.com).