

Impacts of Global  
Derate Factor on  
obtaining adequate  
hedging with CRR

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# GDF throughout the years

Historical GDF range

Prior Track 1B

- Between 2.5% and 22.5%
- Averaging 17.5%
- CRR ATC = 25% of CRR TTC

With Track 1B

- 17.5%
- CRR ATC = 35% of CRR TTC
- i.e. half of the monthly CRR ATC

# CDWR Analysis

## **Case Study: August 2020 Monthly CRR Allocation Tier 1 Results**

- Table 1
  - Includes CDWR CRR revenues from the monthly CRR allocation process
  - Excludes revenues from the 2020 annual CRR allocation process
- August 2020 GDF was 17.5%
- Without GDF of 17.5%, CDWR and other MP doubled their CRR revenue.

# Table 1. August 2020 Monthly CRR Revenues

TOU	Source	Sink	Nominated CRR (MW)	Allocated CRR (MW)	Allocated vs Nominated CRR		Actual CRR Revenues (Notional)	
					With GDF	Without GDF	With GDF	Without GDF
ON	Source Node 1 and 2	CDWR Sink 1, 2, 3, and 4	208.129	64.055	28.52%	57.04%	\$2,451,065	\$4,902,131
OFF	Source Node 1 and 2	CDWR Sink 1, 2, 3, and 4	154.645	44.767	30.26%	60.52%	\$56,675	\$113,349
					Total Notional On-Peak and Off-Peak		\$2,507,740	\$5,015,480
					Total value after Track 1B de-rates		\$1,371,623	\$2,743,247
					Actual Congestion Rents		\$2,889,039	\$2,889,039
					Congestion Rents not hedged		\$1,517,416	\$145,793
					Difference not hedged due to GDF			\$1,371,623

Questions ???

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