



# BPM Change Management Meeting

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April 3, 2018

# Agenda – BPM Change Management Meeting

## April 3, 2018

Topic	Presenter
<b>Introduction / Meeting Overview</b>	Julia Payton
<b>Discussion of active proposed changes:</b>	
Reliability Requirements	Gautham Katta
Outage Management BPM	Gautham Katta
Energy Imbalance Market BPM	Jamal Batakji
Market Instruments BPM	Jamal Batakji
Market Operations BPM	Jamal Batakji
Settlements and Billing BPM	Bonnie Peacock
<b>Wrap-Up and Next Steps</b>	Julia Payton

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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.*

# Reliability Requirements BPM Recommendation Phase PRRs for Discussion

PRR	PRR Title
1030	Reliability services initiative 2018

# PRR 1030 – Reliability services initiative 2018

- **Reason for revision:**
  - Reliability Services Initiative (RSI) policy implementation - Effective 5/1/2018
- **Recommendation comments:**
  - Joint Demand Response Parties 2/13/18
  - California Efficiency + Demand Management Council 2/13/18
  - California Large Energy Consumers Association 2/14/18
  - ISO reposted the redlined BPM to remove the footnote
- **Recommendation comment period reopened and expires:**
  - April 13, 2018
- **Next steps:**
  - Discuss at the April 24<sup>th</sup> BPM meeting
  - Post the Final Decision

# Outage Management BPM Recommendation Phase PRRs for Discussion

PRR	PRR Title
1035	Changes due to reliability services initiative

# PRR 1035 – Changes due to reliability services initiative

- **Reason for revision**
  - Reliability services initiative policy implementation
- **Recommendation comments**
  - No comments submitted
- **Recommendation comment period expired**
  - March 21, 2018
- **Next step**
  - Post ISO final decision

# Energy Imbalance Market BPM Recommendation Phase PRRs for Discussion

PRR	PRR Title
1033	Energy imbalance market enhancement 2017 initiative and variable energy resource forecasts



# PRR 1033 – Energy imbalance market enhancement 2017 initiative and variable energy resource forecasts

- **Reason for revision**

- This revision is due to the EIM Enhancement 2017 initiative which includes the following functionalities:
- Automated matching of import/export schedule changes after T-40
- Automated mirroring of system resources at ISO intertie scheduling points
- Base EIM transfer resource imbalance energy settlement
- New generic non-generator resource modeling functionality
- Allow submission of base generation distribution factors (GDFs) for aggregated EIM non-participating resources

- **Recommendation comments**

- No comments submitted

- **Initial comment period expired**

- March 21, 2018

- **Next step** Post ISO final decision

# Market Instruments BPM

## Recommendation Phase PRRs for Discussion

PRR	PRR Title
1034	Emergency PRR: Registered startup cost calculation
1037	Emergency PRR: Updates due to Aliso Canyon and other miscellaneous changes

# PRR 1034 – Registered startup cost calculation

- **Reason for revision**

- The registered startup cost calculation section has been updated reflect that we now have a retail electricity price available. This is to make the calculation for the registered startup cost “pursuant to the proxy startup cost methodology” as is stated in tariff section 30.4.1.2. This update was missed when the BREB changes were submitted. This is already effective.

- **Recommendation comments**

- No comments submitted

- **Recommendation comment period expired**

- March 21, 2018

- **Next step**

- Post ISO final decision

# PRR 1037 – Updates due to Aliso Canyon and other miscellaneous changes

- **Reason for revision**
  - This is due to the extension of Aliso Canyon Tariff provisions. This is an emergency PRR as Aliso Canyon provisions are already effective.
- **Recommendation comments**
  - No comments submitted
- **Recommendation comment period expired**
  - March 21, 2018
- **Next step**
  - Post ISO final decision

# Market Operations BPM

## Recommendation Phase PRRs for Discussion

PRR	PRR Title
1036	Emergency PRR: Updates due to Aliso Canyon and other miscellaneous changes
1048	Emergency PRR: Dynamic competitive path assessment formulas

# PRR 1036 – Updates due to Aliso Canyon and other miscellaneous changes

- **Reason for revision**
  - This is due to the extension of Aliso Canyon Tariff provisions. This is an emergency PRR and is already effective.
- **Recommendation comments**
  - No comments submitted
- **Recommendation comment period expired**
  - March 21, 2018
- **Next step**
  - Post ISO final decision

# PRR 1048 – Dynamic competitive path assessment formulas

- **Reason for revision**
  - Modified the existing formula for Generating Resources to be consistent with the addition of the new formula for Non-Generator Resources (NGRs) that consider negative capacity, by applying logic for minimum load energy from Generating Resources that can not be shut down because of market commitments such as self-schedules or ancillary service awards. Effective date: Spring release 2018.
- **Recommendation comments**
  - No comments submitted
- **Recommendation comment period expired**
  - March 27, 2018
- **Next step**
  - Post ISO recommendation

## Settlements and Billing BPM Recommendation Phase PRRs

PRR	PRR Title
1038	Emergency PRR: Clarification of settlement and cost allocation of annual CPM from annual resource adequacy plan in CC 7891 and 7896
1039	Updated BPM configuration guides to implement energy imbalance market enhancements 2017 initiative
1040	Updated BPM configuration guides to implement energy imbalance market winter 2017 enhancements initiative
1041	Retirement of PIRP protective measures and PIRP export energy charge codes, related predecessor calculations, and other calculations using the PIRP protective measures flag
1042	Update “CC6455 – Intertie Schedules Decline Charges” configuration to use zero as the value for both the operational adjustment energy and hourly block binding energy schedule when the HASP block advisory schedule equals zero
1043	Update the real-time energy pre-calculation to remove incorrect operational adjustment settlement for dynamic resource-specific system resource
1044	Update the grid management charge Charge Codes 4515, 4516, & 4563 to remove hardcoded GMC rates in BPM and typographical error fix for CC 7989 and 7999
1045	Updated BPM Configuration Guides PC RA Availability Incentive Mechanism, CC 8830, CC 8831 for calculation of Monthly Average RA
1046	Updated BPM Configuration Guide for PC RA Availability Incentive Mechanism for Reliability Services Initiative 2017



# PRR 1038 – Clarification of settlement and cost allocation of annual capacity procurement mechanism from annual resource adequacy plan in CC 7891 and 7896

- **Reason for revision**
  - Related to the recent Annual CPM coming from deficiencies due to Annual RA Plan for Year 2018, we are clarifying settlement and cost allocation rules. This is a documentation only change, and updates to the configuration are not required.
  - The effective trade date of the change is 1/1/2018.
- **Recommendation comments**
  - No comments submitted
- **Recommendation comment period expired**
  - March 19, 2018
- **Next step**
  - Post ISO final decision

# PRR 1039 – Updated BPM configuration guides to implement energy imbalance market enhancements 2017 initiative

- **Reason for revision**

- The LMP price related updates were triggered by the market participants request for earlier reporting (utilizing OASIS) of all RT LAP Prices. Siemens will now calculate and provide them several days ahead of the associated trade date, consumed via a Siemens payload instead of calculating in Settlements.
- The effective trade date of the change is 4/4/2018 (changed from 4/1/2018 on 3/29/18).

- **Recommendation comments**

- No comments submitted

- **Recommendation comment period expired**

- March 19, 2018

- **Next step**

- Post ISO final decision

# PRR 1040 – Updated BPM configuration guides to implement energy imbalance market winter 2017 enhancements initiative

- **Reason for revision**
  - The changes were made to help with settling bilateral contracts under base EIM transfer system resources (ETSRs) between two EIM entities. It also captures settlement of auto-matched energy as incorporated within the manual dispatch energy for EIM, and GMC fee exemption for applicable resources that have an agreement with CAISO.
  - The effective trade date of the change is 4/4/2018 (changed from 4/1/2018 on 3/29/18).
- **Recommendation comments**
  - No comments submitted
- **Recommendation comment period expired**
  - March 19, 2018
- **Next step**
  - Post ISO final decision

# PRR 1041 – Retirement of PIRP protective measures and PIRP export energy charge codes, related predecessor calculations, and other calculations using the PIRP protective measures flag

- **Reason for revision**
  - Protective Measures and PIRP Export Energy charge codes (711, 721, 722, 751, 752) are being retired. Certain calculations in CC 6475, CC 6486, CC 6371 and CC 591 are also being eliminated or adjusted in relation to the retired charge codes. CC 4999 Monthly Rounding Adjustment Allocation is being updated to reflect the retired charge codes. The IFM Net Amount and RTM Net Amount Pre-calculations are being updated to no longer use the BA\_DAILY\_RSRC\_PIR\_PROTECTIVE\_MEASURE\_FLAG.
  - The effective trade date of the change is 4/1/2018.
- **Recommendation comments**
  - No comments submitted
- **Recommendation comment period expired**
  - March 19, 2018
- **Next step**
  - Post ISO final decision

# PRR 1042 – Update “CC6455 – Intertie Schedules Decline Charges” configuration to use zero as the value for both the operational adjustment energy and hourly block binding energy schedule when the HASP block advisory schedule equals zero

- **Reason for revision**

- There are a couple of configuration issues associated with the processing of the HASP Decline Charge penalty calculation in a case where the expected energy flow related to a HASP schedule equals zero (0):
  - the processing of Operational Adjustment energy for an export resource
  - the determination of binding (accepted) energy for an intertie resource with a HASP hourly block schedule
- The effective trade date of the change is 6/1/2015.

- **Recommendation comments**

- No comments submitted

- **Recommendation comment period expired**

- March 19, 2018

- **Next step**

- Post ISO final decision

# PRR 1043 – Update the real-time energy pre-calculation to remove incorrect operational adjustment settlement for dynamic resource-specific system resource

- **Reason for revision**
  - This proposed change will exclude Dynamic Resource-Specific System Resource from the input that leads to OA calculation. Dynamic Tie Generators will continue to be assessed Uninstructed Imbalance Energy (UIE).
  - The effective trade date of the change is 11/1/2017.
- **Recommendation comments**
  - No comments submitted
- **Recommendation comment period expired**
  - March 19, 2018
- **Next step**
  - Post ISO final decision

# PRR 1044 – Update the grid management charge Charge Codes 4515, 4516, and 4563 to remove hardcoded GMC rates in BPM and typographical error fix for CC 7989 and 7999

- **Reason for revision**

- While Settlements configuration uses the actual GMC prevailing rates, the BPM documentation list a hardcoded rate. The BPM revisions propose to remove these hardcoded rates in the configuration guide documents and instead reference the CAISO website information on prevailing GMC rates, to identify the actual rates used by the Settlements system. Also fixed a typo error to business rule 1.2 of the combined guide for CCs 7989/7999
- The effective trade date of the change for is 4/1/2018 (7989/7999); various for the other CCs as stated in the guides .

- **Recommendation comments**

- No comments submitted

- **Recommendation comment period expired**

- March 19, 2018

- **Next step**

- Post ISO final decision

# PRR 1045 – Updated BPM Configuration Guides PC RA Availability Incentive Mechanism, CC 8830, CC 8831 for calculation of Monthly Average RA

- **Reason for revision**
  - The availability calculation methodology approved in RAIM allows a resource to reduce its exposure to RAIM charges by merely adding flexible capacity to its showing. This reduces the incentive for a resource to follow its must offer obligations and to provide replacement capacity in the event of an outage.
  - Issue is addressed by evaluating resources on a daily MW availability basis for Generic and Flexible RA separately and then calculating a separate, average monthly availability for both Generic and Flexible RA.
  - The effective trade date of the change is 5/1/2018.
- **Recommendation comments**
  - No comments submitted
- **Recommendation comment period expired**
  - March 19, 2018
- **Next step**
  - Post ISO final decision



# PRR 1046 – Updated BPM Configuration Guide for PC RA Availability Incentive Mechanism for Reliability Services Initiative 2017

- **Reason for revision**

- The proposed changes introduce differentiation between system and flexible RA capacity to be excluded from RAAIM calculations.
- The effective trade date of the change is 5/1/2018.

- **Recommendation comments**

- No comments submitted

- **Recommendation comment period expired**

- March 19, 2018

- **Next step**

- Post ISO final decision

# Settlements and Billing BPM Initial Phase PRRs

PRR	PRR Title
1047	Emergency PRR: Update the pre-calculation start-up and minimum load cost configuration for the qualification check of IFM startup cost for ISO committed short start units
1049	Emergency PRR: Update to Charge Codes 3303, 6470, 6482, and 6488 to correct the LMP used to settle Exceptional Dispatch Energy for MSS Net resources

# PRR 1047 – Update the pre-calculation start-up and minimum load cost configuration for the qualification check of IFM startup cost for ISO committed short start units

- **Reason for revision**

- The proposed revision identifies Short Start Unit resources and then relaxes the check on the resource being Off before or during the startup notification period towards a CAISO committed startup. This relaxation to IFM startup cost for a short start unit. To fully qualify the startup cost, the unit still needs to be “On” – that is, it has reached at least its Pmin during the commitment period, or that existing qualification for being “On” is kept.
- The effective trade date of the change is 2/1/2017.

- **Initial comments**

- No comments submitted

- **Initial comment period expired**

- March 19, 2018

- **Next step**

- Post ISO recommendation

# PRR 1049 – Update to Charge Codes 3303, 6470, 6482, and 6488 to correct the LMP used to settle Exceptional Dispatch Energy for MSS Net resources

- **Reason for revision**

- A Market Participant has entered a dispute over the settlement of Exceptional Dispatch Energy for Metered Subsystem (MSS) Net-electing resources. As a result of the CAISO's analysis, we have determined that MSS Net-electing resources were being settled at a zero price. To resolve the dispute, the Exceptional Dispatch Energy will settle at the Settlement Interval RTD LMP instead of the Settlement Interval Real-Time LMP. This change aligns the settlement of Exceptional Dispatch Energy for MSS Net-electing resources per Tariff section 11.5.6.
- The effective trade date of the change is 11/1/2016.

- **Initial comments**

- No comments submitted

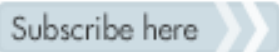
- **Initial comment period expired**

- April 3, 2018

- **Next step**

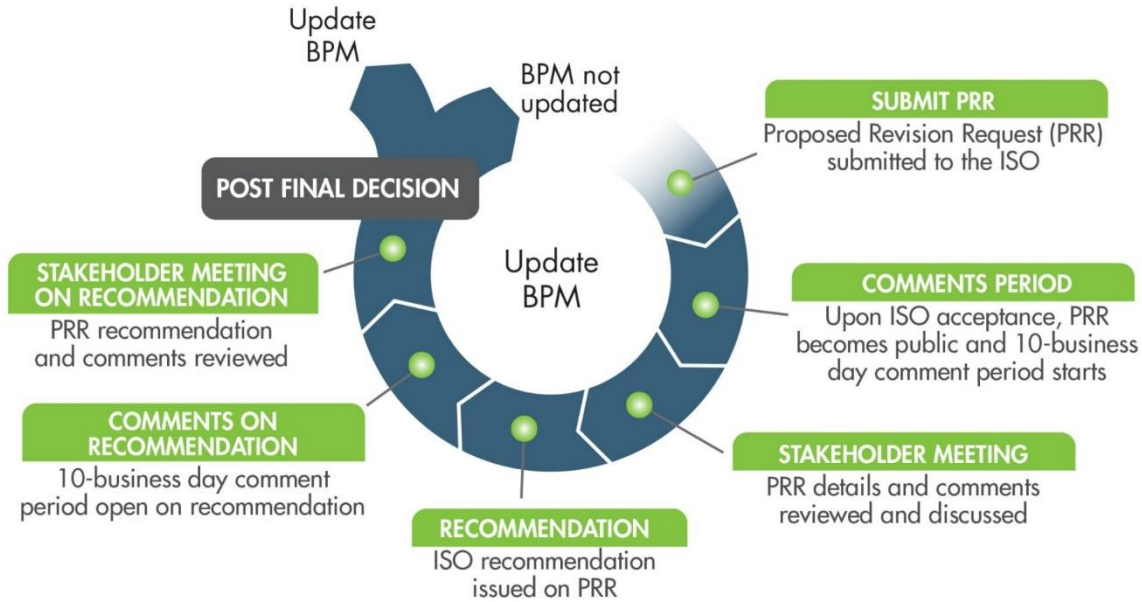
- Post ISO recommendation

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# Next BPM Monthly Meeting: April 24, 2018 @ 11 a.m.



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