May 9, 2012

CDWR Comments to the CAISO's 2012 Congestion Revenue Rights Tariff Clarifications Draft Proposal

The California Department of Water Resources (CDWR) appreciates CAISO's initiative to look for opportunities to resolve the issues concerning Congestion Revenue Rights Tariff within the CAISO market. CDWR also appreciates CAISO's decision to allow market participants to comment regarding CAISO's draft proposal.

CRR Tariff Clarifications

First off, CDWR would like to thank CAISO for addressing and correcting the Tariff wording that resulted in the CRR Upper Bound issue.

Secondly, there has been a noted deficiency with the Full Network Model (FNM) mapping file of retired and renamed PNodes as the FNM versions change. It is important that these mapping files are accurate and complete. Market Participants rely on these updated mapping files in order to be able to run the FNM/SFT on their own to assess congestion risks/liabilities. CDWR believes that CAISO should develop a set of guidelines that are included in the BPM for tracking PNodes. These guidelines should include an overview of how PNodes are first created, the reasons that PNodes are no longer valid (e.g., substation removed or a meter location has changed thus requiring a new point of receipt) or temporarily invalid, the rules that CAISO uses to find new PNodes and the manner in which CAISO keeps track of the mapping of old to new and how they provide this information to the market participants. One important item that should be captured in the above guidelines would be that when an auction or allocation is posted to OASIS each CRR will have a particular source and sink. The guidelines should state that if any one of these sources or sinks becomes invalid or disabled, it will be tracked in the mapping file from the current time onward (no end date). This is important, because many interested parties and Market Participants get their CRR information from OASIS and not necessarily from the access restricted market user interface. CAISO may be making changes to the data that is accessed via MUI, which is not then reflected back in the mapping file for the benefit of the OASIS users. Currently, you can find CRRs on OASIS with sources and sinks that are no longer valid and which are not referred to in the current PNode mapping file (the mapping of old to new PNode names).

If you have any questions regarding these comments please contact Daniel Cretu at (916) 574-0658 or Richard Kranz at (916) 574-0492