

Wheeling Non-Participating Transmission Owners Data Submittal Process Proposal

Background

CAISO Tariff Section 26.1.4.4, Information Required from Scheduling Coordinators, describes the process for supplying information to the CAISO to bill for Wheeling Access Charges. According to this section, Scheduling Coordinators for Wheeling Out or Wheeling Through transactions to a Bulk Supply Point, or other point of interconnection between the CAISO Controlled Grid and the transmission system of a Non-Participating TO, that are located within the CAISO Balancing Authority Area, shall provide the CAISO, within five days from the end of the calendar month to which the relevant Trading Day relates, details of such transactions (other than transactions submitted as Self-Schedules pursuant to Existing Contracts) sorted by Bulk Supply Point or point of interconnection for each Settlement Period (including KWh for each transaction). This information submittal includes data for each day of the applicable month, but such information is typically submitted to the CAISO only once a month on the fifth day following the Trading Month.

NCPA Proposal

In comments on the CAISO's proposed tariff language for the payment acceleration filing, NCPA made a suggestion to improve the efficiency of the proposed payment acceleration changes. That suggestion would allow earlier submission of information related to Wheeling Out and Wheeling Through Transactions.

NCPA claims that this monthly submission may now be inconsistent with the daily meter data submission process proposed in the payment acceleration process. In the current process, Scheduling Coordinators provide the CAISO with information for the entire month five days after the Trading Month, rather than submitting information on a daily basis. As a result it is more difficult to fine tune the accuracy of the data in such a short validation time period. NCPA suggests instead that Scheduling Coordinators for such transactions should submit daily data for the assessment of Wheeling Access Charges on the same schedule as the rest of the payment acceleration meter data submittal process – by T+5B (Noon).

NCPA proposes language in Section 26.1.4.4 to link this data submission process to the payment acceleration meter data submission timeline.

Impact

The process change proposed by NCPA would require timeline changes for the submittal of Non-Participating TO load data. This process timeline would affect the eight Scheduling Coordinators for Non-Participating TOs that follow the current practice of providing data for each day of the applicable month to the CAISO once a month on the fifth day following the Trading Month.

The new submittal timeline suggested by NCPA would require this data to be submitted for each day of the applicable month to the CAISO five business days after the Trading Day.

If the proposed process is not adopted, the Non-Participating TO portion of the Wheeling charges will not be included on the Initial Settlement Statement T+7B. These charges would first be included on Recalculation Settlement Statement T+38B and would be subject to interest charges per the Payment Acceleration provisions on the application of interest.

If the proposed process is adopted, the failure to submit the data within the Payment Acceleration timelines would result in the same consequences as above: the Non-Participating TO portion of the Wheeling charges will not be included on the Initial Settlement Statement T+7B and be subject to interest charges.

Conversely, the Participating TOs would receive payment for any wheeling revenues associated with unsubmitted Non-Participating TO load as part of the Initial Settlement Statement T+7B calculation. These credits would be subsequently reversed and interest applied to any overpayment received by the Participating TOs in the Recalculation Settlement Statement T+38B calculation.

Stakeholder Comment

The CAISO contacted the affected Non-Participating TOs to advise them of the timeline change under consideration. In response, the CAISO received the following comments:



Non-Participating TO	Comments
APX	No Comments
City & County of SF	<p>Does not support daily submission for PA Go-Live.</p> <p>However, would support it if additional time was committed for thorough testing prior to implementation. Need time to modify applications.</p> <p>Could interest be waived for a timeframe (until a daily submission can be implemented)?</p>
CDWR	<p>Does not support daily submission for PA Go-Live.</p> <p>Does not object to a consideration post PA go-live</p>
City of Riverside	No Comments
NCPA	<p>Supports daily submission process at T+5B</p> <p>Proposed this change. Thinks it is consistent with Payment Acceleration and does not feel they should be required to pay interest when they can avoid by submitting data daily. In addition, their interest charges could be 'substantial'.</p> <p>No technical challenges - they are prepared to submit daily.</p> <p>Encourages automation, but willing to submit manually (like done today) in the interim (until) a automated solution can be provided.</p>
Sempra Energy	<p>Not opposed to daily submission process at T+5B.</p> <p>Sempra's neutral position was assuming that CAISO allowed for estimation at T+5B for this data, similar to the meter data submission policy under PA.</p> <p>If CAISO moves forward with this change, conditions expressed by Sepra are as follows:</p> <ol style="list-style-type: none"> 1) the submission process allows for daily load estimation, 2) allowance for submission of a one-time true-up of all previously-reported daily volumes for the given month (at prior to T+38B invoicing), 3) that interest charges, if any, are assessed on: <ol style="list-style-type: none"> a) under-reported volumes ONLY (ie. over-reported load is not subject to), and <ol style="list-style-type: none"> b) ONLY deviations outside of a specified tolerance band (eg. 10%), and c) ONLY net aggregated deviations for the given month (as opposed to daily volumes).
WAPA	<p>Does not support daily submission for PA Go-Live.</p> <p>Does not object to a consideration post PA go-live, with a suggested timeframe of Spring 2010</p>
VIASYN	Did not participate

CAISO Proposal

The CAISO agrees that accommodating earlier submission of information related to Wheeling Out and Wheeling Through transactions will allow quicker settlement of the charges, will reduce the application of interest calculations, and will provide process consistency with payment acceleration. The CAISO recognizes, however, that several of the Non-Participating TOs would prefer to defer the implementation of this process change until after the successful deployment of payment acceleration.

The CAISO accordingly proposes to initiate a project to accommodate daily submission of Wheeling Out and Wheeling Through data at the option of each Non-Participating TO. For the Non-Participating TOs that elect to participate in the early submission of this data, the CAISO will accept the submission of their load data in the same manner as currently submitted, except on a daily rather than a monthly basis. The CAISO will manually process the data for settlement purposes. For those Scheduling Coordinators that do not want to submit the data daily, the current monthly process will remain in effect. Since CAISO Tariff Section 26.1.4.4 sets the deadline for submitting the data at five days after the end of the Trading Month, a tariff modification is not needed to implement this process change. The existing tariff language allows the data to be submitted earlier, but not later than the deadline.

Ultimately, the CAISO will move to an automated process that will utilize the existing OMAR application to accept and process the data. There is insufficient time, however, for necessary system changes to be in place by the November 1, 2009 start date for payment acceleration Project.

Due to the time required to support the manual process, the CAISO requests any Scheduling Coordinator for a Non-Participating TO that elects to submit the data on a daily basis to notify the Billing & Settlements team 30 days in advance of the Trading Day on which that submission will begin. This will allow CAISO to ensure it has sufficient resources to manually process the data. The Billing & Settlements team should be notified at samc@caiso.com.

Any comments on this proposal should be submitted to the SaMC User Group mailbox at samc@caiso.com.