



**GMC Unbundling Steering Committee
Meeting Agenda
November 30, 1999
10:00 a.m. – 2:00 p.m. in 101A-1a**

- | | |
|-------------------------|------------------------------|
| 10:00 a.m. – 12:00 p.m. | Discuss Billing Determinants |
| 12:00 p.m. – 12:30 p.m. | Lunch |
| 12:30 p.m. – 1:30 p.m. | Discuss Balancing Accounts |
| 1:30 p.m. – 2:00p.m. | Wrap Up |

Open discussions of any additional comments are welcome

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Sign-in Sheet

MZA 304
730-5734

~~NEW~~

James A. Ross	CAC
Michael Werner	CDWIE
W. SHANNON BLACK	- E. Br. m. Johnson SMD
Bob Hansen	SCF
Cathy Young	ISO
Kevin Sheff	Alcantara & Elsenner
Jim Price	ORA
Michelle Wynne	MZA GRID SERVICES
David Cohen	NAVIGANT
ED LUCIFRO	SEMPRA ENERGY
Michael Zimm	ISO
Mike Johnson	SMD - 730-5734
Ray Verner	PG&E
Carolyn Kobernick	Board - CAISO
Komolo Gene Waus	CPX
Scott Klurfeld	- ATty.
Mike Epstein	CAISO
Charlotte Martik	
Bill Bojorge	

Sblack@smv.org

Call-in

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November 30, 1999
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Sign-in Sheet

Jennifer Amadi	CAISO
Deanne Nelsen	CAISO
Farrukh Rahimi	CAISO (consultant)
ROBERT ADRIAN	ADP
Cheng Beach	Atty.
Don Fuller	CAISO
EE 18555	CAI/EPUC C. Atty. Nelsen
Barbara Kindel	CAISO

call

short time

**GMC Unbundling Steering Committee
Meeting Notes
11/30/99**

Present:

Carolyn Kehrein

Michele Wynne

Bert Hansen

Michael Werner

David Cohen

Jim Ross

Evelyn Elsesser

Linda Sherif

Jim Price

Brian Jobson

W. Shannon Black

Robert Berry

Ray Venner

Romulo Barreno (call-in)

Gene Waas (call-in)

Ed Lucero

Cheryl Beech (call-in)

Scott Klurfield (call-in)

Mike Epstein

Charlotte Martin

Bill Bojorquez

Deanne Nelsen

Cathy Young

Michael Turner

Farrokh Rahimi

Don Fuller

Jennifer Amadi

Barbara Kindel

Board

MZA Grid Services

SCE

CDWR

TANC/ Resource Management

RCS/ Cogeneration Assoc. of California

CAC/ EPUCG

Alcantar & Elsesser LLP

CPUC Office of Ratepayer Advocates

SMUD

SMUD

APX

PG & E

PX

PX

Sempra

R.J. Rudden & Associates

Swidler Berlin Shereff Friedman, LLP

CAISO

CAISO

CAISO

CAISO

CAISO

CAISO

CAISO

CAISO

CAISO

CAISO

Introductions were made

Agenda was reviewed

Discussion of Billing Determinates Buckets (see new attachments)

Control Area Operations

Determinants – Gross load with or without QFs

- Bill Bojorquez – To complete analysis we need “load served by internal generation” for 1999 by month from Munis and QFs.
- Jim Ross – Presented position of why QF load should be exempt from any GMC charge. The position was previously provided to Committee. Also, that QF load information is confidential and would not be provided for analytical purposes.
- Requests for information will go out to the Munis for behind the meter load for 1999 for Committee analytical purposes.
- If data for LADWP can be obtained or estimated, it will be included as well.

Scheduling

Determinants – Scheduled load vs. net load vs. gross load

- Farroukh Rahimi – Scheduled load may be disincentive to schedule and run counter incentives in market redesign, scheduling diminishes as price increases
- After additional discussion scheduled load was dropped
- Committee members preferred net metered load to gross load
- Both net load and (estimated) gross load is available for analytical purposes

Market Operations

Determinants - Traded volumes (Imbalance energy + A/S purchased + A/S sold) vs. Traded volumes less A/S sold

- Jim Ross – Presented position of why only purchases should be used for determinant. The position was previously provided to Committee.
- Bill Bojorquez discussed formula –
Sum of absolute values for imbalance energy (instructed and uninstructed deviations; generation and load deviation) + total A/S required + total A/S sold
- Formula factors in self provision and is predictive of SC market operations activity
- Market surveillance is very small percentage of market operations – about \$2M and is allocated 75% to Market Operations and 25% to Control area operations. Agreed that no separate charge to cover this cost at this time is needed.
- Information already exists in settlement system and imbalance energy, A/S purchases and A/S sales will be obtained and broken out separately for the Committee
- Unbundling proposal is for an initial phase in and may be revised from year to year as new information becomes available

Billing, Metering and Settlements

Determinants - Traded volumes, traded volumes less sales, traded volumes + congestion, net loads and transactions

- Net loads not reflective of activity by settlement system to bill individual SCs
- Congestion charges immaterial to total billed and a negligible component of settlement costs
- Traded volumes to be obtained for Market Operations
- Transactions under review by ISO staff and report back at next meeting

Lunch

Congestion

Determinants – Congestion charges, use of congested inter-zonal interfaces, net scheduled load by zone

- Congestion charges are unpredictable and vary significantly from hour to hour and month to month. All congestion for a month may be in one hour. Does not spread costs to users of FRS.
- Congestion charges for first nine months of 1999 = \$39M maybe \$50M for year. Congestion cost bucket = \$11M or 20% of congestion costs.
- Follow up with Ziad Alaywan where costs for running initial congestion and management of congestion were allocated. How much to Control Area if any.
- Use of congested inter-zonal interfaces very expensive to obtain as data is in SA and SI systems but similar to net scheduled load by zone.
- Net scheduled load by zone is in the settlement system
- Bill Bojorquez and the committee worked through various examples which will be provided to the Committee

Discussion of Balancing Accounts

- Use either a three or six month rate adjustment if projections vary by more than 5%

The Next meeting is set for Thursday, January 13th, 2000

- Information for each of the buckets will be obtained and provided to the Committee
- Allocation of Congestion will be obtained
- Accessibility of transaction information will be discussed
- Progress of allocation of Year 2000 budget into buckets will be discussed or presented
- Congestion and traded volume examples will be provided