Market Simulation Structured Scenarios

CRR Auction Efficiency – 1B

Version: 1.0

November 12, 2018

Location of Document

Link

Revision History

Date	Version	Description	Author
11/12/18	1.0	Initial	Adam Wohlsen

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1. Introduction

The objective of this document is to provide the information needed for Market Participants to participate in the market simulation structured scenarios.

2. Structured Scenario Approach

2.1 High Level Overview

These identified scenarios will be executed during the structured scenario portion of the CRR Auction Efficiency – 1B for market simulation.

2.2 Structured Scenarios Conditions and Setup

TBD

2.3 Structured Scenarios

Scenario Number	CRR Auction Efficiency – 1B – TD 11/19/2018	
1	Description	Create scenarios to generate net negative offset values across all binding constraints for a trade day for most CRR holders (option and obligation).
	ISO Actions	Run Day Ahead market with constraints limits lowered. Constraint limits to adjust will include: Malin, Palo Verde, and Mead.
	EIM Market Participant Actions	N/A
	ISO Market Participant Actions	Observe negative offset values in one or more CRR holdings
	Expected Outcome	The above constraints bind. CRR-1B produces net negative offset values for most of the CRR holders.
	Anticipated Settlement Outcome	Charge Code: 6700, 4562

Scenario Number	CRR Auction Efficiency – 1B – TD 11/20/2018	
2	Description	Create scenarios to generate net positive offset values across all binding constraints for a trade day for most CRR holders (option and obligation).
	ISO Actions	Run Day Ahead market with constraints limits raised but the constraints should still bind. Constraint limits to adjust will include: Malin, Palo Verde, and Mead.
	EIM Market Participant Actions	N/A
	ISO Market Participant Actions	Observe positive offset values in one or more CRR holdings
	Expected Outcome	The above constraints bind. CRR-1B produces net positive offset values for most of the CRR holders.

	Anticipated Settlement Outcome	Charge Code: 6700, 6790, 4562

Scenario Number	CRR Auction Efficiency – 1B – TD 11/19/2018-11/20/2018	
3	Description	Settle a mini-monthly scenario to achieve a CRR surplus.
	ISO Actions	Ensure that the magnitude of positive offset values from scenario 2 are greater than the magnitude of the negative offset values in scenario 1.
	EIM Market Participant Actions	N/A
	ISO Market Participant Actions	Observe a surplus at the end of the month for this mini-monthly scenario
	Expected Outcome	CRR holders will see a surplus at the end of the month for this mini-monthly scenario
	Anticipated Settlement Outcome	Charge Code: 6701, 6706

3. ISO Market Simulation Contact

Please contact MarketSim@caiso.com if you have any questions or concerns regarding these structured scenarios.