



Decision on Information Release Policy on Transmission Constraints

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Information release policy consists of 3 phases.

- Phase 1 – Information release policy on transmission constraints
 - Presenting today for decision
- Phase 2 – Information release policy on convergence bidding
 - Presenting today as briefing item
- Phase 3 – Information release policy on outages and other information related to locational marginal price markets
 - Present to board in Q4 2010

Transmission constraints can be a major driver of market outcomes.

- The ISO market optimally dispatch resources subject to the physical limits of the transmission system.
- Binding transmission constraints will affect dispatch and prices.
- Transmission constraints can be:
 - **Branches** - Individual transmission lines/transformers
 - **Corridors** - Aggregate limit groups of transmission lines/transformers
 - **Nomograms** - Simultaneous limits on multiple corridors or resources
- Transmission constraint may bind due to:
 - **Normal** conditions with all equipment in service
 - **Contingency** conditions where equipment becomes unavailable

Stakeholders have requested the ISO release more information on transmission constraints.

- Providing additional information will:
 - Increase market transparency
 - Increase understanding of market results
 - Facilitate more effective market participation
- Final proposal was developed to be:
 - Comparable to information release for other ISOs
 - Responsive to stakeholder requests
 - Responsive to a FERC directive
 - Protective of sensitive constraint information

The ISO is proposing to release the following additional constraint information:

■ Decisional Items

- Day-ahead market transmission constraints and contingencies
 - Constraint enforcement status
 - Description of transmission corridors, nomograms, and contingencies
- Cause of binding constraints
 - Indication of whether binding constraint is due to a contingency or not
 - Name of contingency causing binding constraint
- Monthly reports on manual adjustments made to constraints

■ Non-Decisional Items

- Advance notification of new constraints and model changes
- Modify limitations on use of congestion revenue rights model
- Evolve to use common terminology and nomenclature

The ISO proposal balances need for transparency with security by:

- Limiting access and use of sensitive transmission information to those participants having a Non-Disclosure Agreement (NDA) and computer certificate
- Reducing the NDA restrictions on the use of congestion revenue right model information

Stakeholders are supportive of the additional information release.

- Consensus stakeholder support for the additional transmission constraint information proposed in phase 1
- Some stakeholders request that actual transmission constraint limit information be released for all constraints
 - Current practice publishes limits for interties and major paths
 - ISO will address limit information expansion in phase 3

Next Steps

- File new tariff language for portions of proposal requiring FERC approval in Q1 2010
- Upon FERC approval, implement proposed transmission constraint information release changes
- For items not requiring FERC approval, implement notification process changes immediately
- Begin Phase 3 evaluation of additional information release needs