



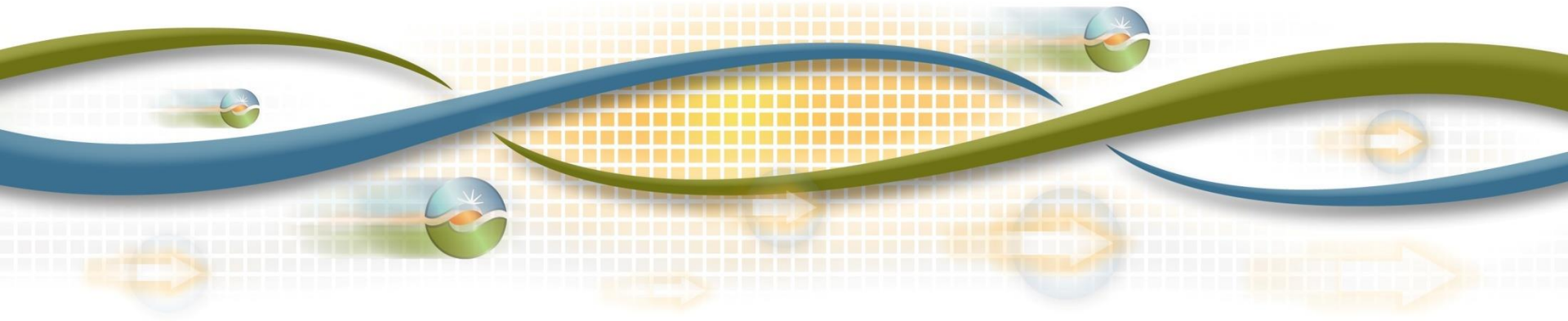
# BPM Change Management Meeting

March 28, 2017

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BPM Change Management Process

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# Agenda – BPM Change Management Meeting, March 28, 2017

Topic	Presenter
Introduction/meeting overview	Julia Payton
<u>Discussion of current PRRs:</u> Outage Management Reliability Requirements Metering Energy Imbalance Market Settlements and Billing Market Instruments Market Operations Generator Management Generator Interconnection and Deliverability Allocation Procedures	Gautham Katta Gautham Katta Julie McCallion Vivian Liang Bonnie Peacock Jamal Batakji Jamal Batakji Raeann Quadro Phelim Tavares
Wrap up and next steps	Julia Payton

# California ISO Stakeholder Initiative Process:



- Business Practice Manuals
  - The purpose of BPMs is to set forth business practices that implement the ISO tariff.
  - The ISO conducts a yearly policy initiative roadmap process to consider and rank initiatives.
    - *Policy changes submitted through the PRR process will be referred to the policy initiative road map process.*
  - Each subject area in a BPM is based on enabling language in the ISO tariff.
    - *The PRR process cannot be used to introduce changes that are not supported by existing tariff authority.*

# PRRs for Discussion – Recommendation Phase

## Outage Management BPM

PRR	PRR Title
967	Interconnection reliability operations and coordination standard 17

# PRR 967 – Interconnection reliability operations and coordination standard 17

- Reason for revision:
  - The Interconnection Reliability Operations and Coordination standard 17 (IRO-17) is a new NERC standard and Peak is making necessary changes to their outage process due to this NERC standard. As a result, the ISO and PTOs/SCs need to make necessary changes to their outage management processes to align with reliability coordinator's new process.
- Recommendation stakeholder comments:
  - No comments submitted
- ISO response/position:
  - ISO submitted the PRR.
- Recommendation comment period expiration:
  - March 21, 2017
- Next step: Post final decision

# PRRs for Discussion – Initial Phase Reliability Requirements BPM

PRR	PRR Title
973	SDG&E Submitted: Clarification for new resources under construction NQCs

# PRR 973 – Clarification for new resources under construction NQCs

- Reason for revision:
  - The current BPM language refers to CPUC decisions back in 2008. Since then, other CPUC decisions have superseded that decision and clarified the purposes and situations in which LSEs may include new resources under construction to meet their annual RA requirements. SDG&E has updated the language in the BPM and references to the later CPUC decisions that the ISO used in its current language.
- Initial stakeholder comments:
  - No comments submitted
- ISO response/position:
  - PRR submitted by SDG&E
  - ISO posted a redlined version response 3/16/17
- Initial comment period expiration:
  - March 16, 2017
- Next step: Post recommendation

# PRRs for Discussion – Recommendation Phase

## Metering BPM

PRR	PRR Title
963	Updates to Metering BPM for metering rules enhancements stakeholder initiative



# PRR 963 – Updates to Metering BPM for metering rules enhancements stakeholder initiative

- Reason for revision:
  - The revision includes language changes required to support the metering rules enhancements stakeholder initiative enhancements
- Recommendation stakeholder comments:
  - No comments submitted
- ISO response/position:
  - ISO submitted the PRR.
- Recommendation comment period expiration:
  - March 16, 2017
- Next step: Post final decision

# PRRs for Discussion – Recommendation Phase

## Energy Imbalance Market BPM

PRR	PRR Title
964	Updates to Energy Imbalance Market BPM for metering rules enhancements stakeholder initiative

# PRR 964 – Updates to Energy Imbalance Market for metering rules enhancements stakeholder initiative

- Reason for revision:
  - The revision includes language changes required to support the metering rules enhancements stakeholder initiative enhancements
- Recommendation stakeholder comments:
  - No comments submitted
- ISO response/position:
  - ISO submitted the PRR.
- Recommendation comment period expiration:
  - March 16, 2017
- Next step: Post final decision

# PRRs for Discussion – Recommendation Phase

## Settlements and Billing BPM

PRR	PRR Title
968	Clarification updates to BPM for resource adequacy availability incentive mechanism precalc
969	Update BPM for charge code 6045 configuration formula to remove dispatchable demand resource from the over and under scheduling assessment
970	Update pre-calculation real time market net amount to resolve two issues that relate to (1) the application of the Persistent Deviation Metric (PDM) and (2) the determination of bid cost recovery bid cost for a net-settled metered subsystem

# PRRs for Discussion – Recommendation Phase

PRR	CC/ PC	Comment Expiration / Next Step	ISO Position / Reason for Revision
968	PC RA Availability Incentive Mechanism (doc only update)	<p>NCPA and Joint DR Parties submitted recommendation comments.</p> <p>Comment period expired 3/16/17;</p> <p>Next Step: Post final decision</p>	<p>In the current BPM, Business Rule 1.5 defines the trade hours for flexible resource adequacy categories 2 and 3. The proposed revision removes the defined hours, and replaces with references to the ISO flexible capacity needs assessment which determines the five-hour period in alignment with tariff Section 40.10.6.1(a).</p> <p>The proposed revisions ensures that when there is an update to the five-hour period as determined in the ISO flexible capacity needs assessment. This is a documentation only change as updates to the configuration are not required.</p>
969	CC 6045 - Over and Under Scheduling EIM Settlement	<p>No recommendation comments submitted.</p> <p>Comment period expired 3/16/17;</p> <p>Next Step: Post final decision</p>	<p>Under the current assessment of the over and under scheduling settlement, the settlement system is comparing the hourly base load schedule to the hourly metered demand quantity. The hourly metered demand quantity is calculated as the sum of the hourly metered load plus hourly metered dispatchable demand resource. The inclusion of the hourly metered dispatchable demand resource is resulting in inaccurate assessment of over and under scheduling settlement for those balancing authority areas which have dispatchable demand resource in their supply portfolio.</p> <p>The proposed solution is to remove the inclusion of dispatchable demand resource from the over and under scheduling assessment by comparing the hourly base load schedule to the hourly metered load quantity.</p> <p>The ISO anticipates implementation on or about 3/27/2017 in support of a 10/1/2014 production effective trade date.</p>

# PRRs for Discussion – Recommendation Phase

PRR	CC/ PC	Comment Expiration / Next Step	ISO Position / Reason for Revision
970	RTM Net Amount PC	<p>No recommendation comments submitted.</p> <p>Recommendation comment period expired 3/16/17;</p> <p>Next Step: Post final decision</p>	<p>Proposed update is to resolve two issues that relate to:</p> <p>(1) <u>The application of the Persistent Deviation Metric (PDM)</u> -- The current Settlement configuration is incorrectly calculating the BCR-applicable energy bid cost for a given Settlement Interval, where a resource is detected by means of the PDM to have been persistently deviating from its dispatch instructions over the 24 Settlement Intervals of the two-hour PDM evaluation window for the given Settlement Interval. For a deviating resource the configuration should determine and apply the energy bid cost as the minimum of the 3 energy bid costs based on the Final Bid price, Default Energy Bid (DEB) price and the Locational Marginal Price (LMP). The configuration is overstating the LMP-based energy bid cost. The reason is that the configuration is not excluding the Minimum Load Energy in determining the LMP-based cost that is associated with the bid energy.</p> <p>→Retroactively, effective starting with Trade Date May 1, 2014 to capture all Trading Days over which the defect applies.</p> <p>(2) <u>The determination of BCR bid cost for a net-settled MSS</u> -- An issue is found with the pricing of energy from a resource belonging to a net-settled MSS entity (i.e., a MSS that has selected the net settlement option) for a case where the bid price is missing for the energy. The configuration software is leaving the bid price as missing, effectively using a default value of zero (0) for bid cost calculations in which the bid price is applied. However, under certain conditions the MSS LMP should be used instead of 0.</p> <p>→Retroactively, effective starting with Trade Date November 1, 2016 to only correct configuration software that becomes effective on/after Trade Date November 1, 2016.</p> <p>The ISO anticipates implementation of the BPM changes on or about March 27, 2017.</p> <p><b>Changes during initial phase comments period:</b></p> <ul style="list-style-type: none"> <li>Updated guides posted 2/21; PC RTM Net Amount V5.27-5.31 are updated to ensure MSS Load following overlapped energy are excluded from BCR when computing the DEB cost.</li> </ul>

# PRRs for Discussion – Initial Phase Settlements and Billing BPM

PRR	PRR Title
974	Settlement BPM and Charge Code updates for T+33M Settlements Statement

# PRRs for Discussion – Initial Phase

PRR	CC/ PC	Comment Expiration / Next Step	ISO Position / Reason for Revision
974	BPM for Settlements and Billing CC 7989 and 7999 Invoice Deviation Interest	<p>No initial comments submitted.</p> <p>Initial comment period expired 3/16/17;</p> <p>Next Step: Post recommendation</p>	<p>In September 2015, a number of market participants filed comments with the Commission in Docket No. EL15-94 stating that the deadline to review and dispute the 35 month recalculation settlement statement is too short. In response to these comments, the CAISO proposed to adjust the settlement statement timeline to allow market participants more time to review and submit disputes on the second-to-last recalculation settlement statement.</p> <p>The ISO filed associated Tariff Amendment with FERC on January 24. In that filing, the proposed changes move the second-to-last recalculation settlement statement from 35 months after the trading day (“T 35M”) to 33 months after the trading day (“T 33M”).</p> <p>Additionally, the dispute period for the T 33M will be lengthened to 22 business days, and the CAISO has 31 business days to decide whether to accept a dispute on the T 33M. This is consistent with the deadline applicable to other recalculation settlement statements.</p> <p>Pending FERC approval, the CAISO will issue the first T 33M recalculation settlement statement on May 3, 2017, for trading day August 1, 2014, if there are any incremental adjustments that affect that trading day.</p> <p>The BPM for Settlements &amp; Billing Main Body and the references to T 33M settlement statement appearing in CC 7989/7999 have been updated to reflect the new statement instance.</p> <p>There will be a transition period of overlapping settlement statements where T 35M statements (if applicable) will publishing in parallel to the new T 33 M statements up through trading day July 31, 2014</p>



# PRRs for Discussion – Recommendation Phase

## Market Instruments BPM

PRR	PRR Title
971	Attachment B revision

# PRR 971 – Attachment B revision

- Reason for revision:
  - To comply with the GRDT and IRDT data definitions. The changes are to incorporate data from the “GRDT and IRDT Data Definitions” (that is currently posted on the CAISO website as an Excel spreadsheet) into the BPM. The changes to Attachment B do not represent new information, rather consolidating existing information into the BPM and provide clarification.
- Recommendation stakeholder comments:
  - No comments on Recommendation submitted
- ISO response/position:
  - Original draft BPM was modified based on PG&E initial comments.
- Recommendation comment period expiration:
  - March 21, 2017
- Next step: Post final decision

# PRRs for Discussion – Recommendation Phase

## Market Operations BPM

PRR	PRR Title
972	Congestion revenue rights settlement rule

# PRR 972 – Congestion revenue rights settlement rule

- Reason for revision:
  - Modifications to the congestion revenue rights settlement rule based on the Tariff amendment submitted on January 25, 2017. Effective date is April 1, 2017
- Recommendation stakeholder comments:
  - No comments submitted
- ISO response/position:
  - ISO submitted the PRR.
- Recommendation comment period expiration:
  - March 21, 2017
- Next step: Post final decision

# PRRs for Discussion – Recommendation Phase

## Generator Management BPM

PRR	PRR Title
962	Clarifying changes to generator retirement process
965	Moving project naming guidelines to the Generator Interconnection and Deliverability Allocation Procedures BPM

# PRR 962 – Clarifying changes to generator retirement process

- Reason for revision:
  - The ISO submits these changes to clarify the process for retiring generators. Specifically, the changes clarify that generators do not need to submit outage cards for retirement, and provide greater detail regarding relinquishing the generator's resource ID(s) and needed changes to various regulatory contracts.
- Recommendation stakeholder comments:
  - No comments submitted
- ISO response/position:
  - ISO submitted the PRR.
- Recommendation comment period expiration:
  - March 21, 2017
- Next step: Post final decision

# PRR 965 – Moving project naming guidelines to the GIDAP BPM

- Reason for revision:
  - Moving the examples to the BPM for Generator Interconnection and Deliverability Allocation Procedures.
- Recommendation stakeholder comments:
  - No comments submitted
- ISO response/position:
  - ISO submitted the PRR.
- Recommendation comment period expiration:
  - March 21, 2017
- Next step: Post final decision

# PRRs for Discussion – Initial Phase Generator Management BPM

PRR	PRR Title
976	Large-Scale Solar Association Submitted: Generating facility project phases sharing transformers



# PRR 976 – Generating facility project phases sharing transformers

- Reason for revision:
  - Clarification of existing ISO policy.
- Initial stakeholder comments:
  - No comments submitted
- ISO response/position:
  - PRR submitted by Large-Scale Solar Association
  - ISO posted a response to LSA PRR 3/13/17. The ISO agrees that adding Phases to a generator doesn't specifically require the addition of a new transformer and proposes a modification to LSA's PRR as submitted
- Initial comment period expiration:
  - March 27, 2017
- Next step: Post recommendation

# PRRs for Discussion – Initial Phase Generator Interconnection and Deliverability Allocation Procedures BPM

PRR	PRR Title
977	Large-Scale Solar Association Submitted: Stand-alone network upgrade clarification

# PRR 977 – Stand-alone network upgrade clarifications

- Reason for revision:
  - Clarification of existing ISO policy.
- Initial stakeholder comments:
  - Southern California Edison, 3/23/17 and 3/27/17
- ISO response/position:
  - ISO response posted a response 3/28/17.
- Initial comment period expiration:
  - March 27, 2017
- Next step: Post recommendation

# PRRs for Discussion – Recommendation Phase

## Generator Interconnection and Deliverability Allocation Procedures BPM

PRR	PRR Title
966	Clarifying requirements for selecting a project name

# PRR 966 – Clarifying requirements for selecting a project name

- Reason for revision:
  - Clarifying the process for selecting project names on the interconnection requests. A link to a list of previously used names will be included in the BPM, when the list is posted on the ISO website at the end of this month.
- Recommendation stakeholder comments:
  - No comments submitted
- ISO response/position:
  - ISO submitted the PRR.
- Recommendation comment period expiration:
  - March 21, 2017
- Next step: Post final decision

# Next Steps

Next Meeting:

April 25, 2017

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