



This document is a general overview of the requirements and information to assist in the Congestion Revenue Rights (CRR) registration process. For additional information and detail of the process, refer to the Business Practice Manual (BPM) or CRR Holder Registration at: <https://bpmcm.caiso.com/Pages/BPMDetails.aspx?BPM=Candidate CRR Holder Registration> .

**Important Note:**

Load Serving Entities (LSEs) should apply to become a Candidate CRR Holder so that they can participate in the CRR Allocation process to request CRRs. CRRs are important to LSEs since they are a financial instrument used to offset congestion charges for the scheduled load in the Day Ahead Market (DAM). These entities are allocated CRRs based on the load serving obligation of the LSE. The CRR agreement needs to be executed and in place at least 60 days prior to the proposed commencement of serving and scheduling load so that CRRs can properly be awarded to the LSE. In addition this timing will allow for the LSE to participate in the load migration process and provide load forecast data to be in sync with the CEC load forecast. A load serving entity may be a new municipal, a new utility, a new energy service provider or a community choice aggregator, any entity defined by the California Public Utilities Commission (CPUC) and California Energy Commission (CEC) to serve load or an entity that falls under the definition of LSE as provided in the CAISO tariff.

**Minimum Participation Requirement (FERC Order 741)**

On October 21, 2010, the Federal Energy Regulatory Commission (FERC) issued Order 741 which updated the requirement to “improve the management of risk and the subsequent use of credit in the organized wholesale electric markets.” You may view the whole FERC Order at: [https://cms.ferc.gov/sites/default/files/2020-05/E-3\\_61.pdf](https://cms.ferc.gov/sites/default/files/2020-05/E-3_61.pdf)

Each prospective or existing market participant must satisfy one of the following capitalization requirements:

Market participant or its guarantor must have at least:

- \$1 million in tangible net worth or
- \$10 million in total assets, or
- Post financial \$500,000 cash or a letter of credit

Additional information about credit can be found on our [Credit Management BPM](#).

**Quick Notes**

- Application Fee is listed in our [Candidate CRR Holder Registration BPM](#) and is non-refundable
- Approximate Completion Timeline:
  - Minimum time requirement is 60 days (2 months) after application is accepted and approved. The CAISO recommends a longer lead time if possible.
  - Actual completion is contingent on timely submission of requested forms, training completion and can take longer than 60 days.
  - There is a sunset period if the CRR Certification process is not completed in 12 months.
  - If application process is not completed within 12 months, the CAISO may close any application. If application is closed due to non-activity/completion, another CRR Application and fee would need to be submitted to proceed in becoming a CRR Holder.
- Contact Information: [SCRequests@caiso.com](mailto:SCRequests@caiso.com)



**CRR Agency Representation**

A CRR applicant may have a CRR agent. An agent is another entity who can process invoices, provide scheduling and bidding services etc. The CRR holder is 100% responsible for all collateral, invoicing and annual requirements even with an agent. Typically when a CRR Holder chooses an agent, they will choose a Scheduling Coordinator (SC) to schedule their load in the CAISO markets. If you would like to request the CRR Agency letter, please email [SCRequests@caiso.com](mailto:SCRequests@caiso.com)

**Application Submittal**

The following steps are for submitting an SC application to the ISO.

Step	Action
1	<p>Complete the CRR Application. The CRR application can be found in the Candidate CRR Holder Registration BPM at: <a href="https://bpmcm.caiso.com/Pages/BPMDetails.aspx?BPM=Candidate CRR Holder Registration">https://bpmcm.caiso.com/Pages/BPMDetails.aspx?BPM=Candidate CRR Holder Registration</a></p> <p><b>Note:</b> Be sure the application is complete and signed.</p>
2	<p>Email a signed PDF to <a href="mailto:SCRequests@caiso.com">SCRequests@caiso.com</a> and wire application fee.</p> <p>Please wire funds to the account below:            Bank ABA#: 121000248            Account #: 4122041783            Bank Name: WELLS FARGO BANK            Account Name: CONCENTRATION</p> <p><b>Note:</b> Electronic Submission is the quickest and preferred way to submit an application and fee.</p> <p>If sending a check, mail check and copy of signed application to:            California ISO            Customer Service and Stakeholder Affairs            ATTN: SC Application Processing Office            250 Outcropping Way            Folsom, CA 95630</p> <p><b>Note:</b> Check or money order needs to be payable to:  <b>California Independent System Operator</b>  <i>When sending in application and fee via mail, please email <a href="mailto:SCRequests@caiso.com">SCRequests@caiso.com</a> with your company name, date sent and any tracking information on the mailing.</i></p>

After submittal of application and fee, the CAISO will review content, confirm acceptance of the application, and schedule a call to walk through each of the requirements based on specific application information.



### **Requirements for completing registration**

To complete the CRR registration process, an entity must do the following:

- Complete all required training
- Complete all required testing
- Submit required financial security as applicable
- Submit all required documentation, including all required agreements

### **Required Training**

The Candidate CRR Holder applicant is required to complete CRR computer based training (CBT) which can be found in our learning center, [Congestion Revenue Rights training section](#).

The four (4) CBT that are required for training are as follows:

- Congestion Revenue Rights Overview
- Congestion Revenue Rights MUI and SRS Overview
- Congestion Revenue Rights MUI Training – Allocation
- Congestion Revenue Rights MUI Training – Auction

Additional training for multiple topics and registrations can be found at:

<http://www.caiso.com/participate/Pages/LearningCenter/default.aspx>

### **Required Bank Account Testing**

ACH or Fed Wire Test

This requirement ensures that the CRR applicant can submit payments to/and receive payment from the CAISO.

EFT Procedure: <http://www.caiso.com/Documents/ElectronicFundsTransferProcedure.pdf>

EFT Form: <http://www.caiso.com/Documents/ElectronicFundsTransfer-BankAccountChangeForm.pdf>

### **Required Financial Security**

Once the CRR Holder Application form is accepted, the CRR applicant must begin establishing financial security.

The CAISO recommends that an applicant understand its financial security requirement prior to submitting the CRR Application Form, to ensure the financial security requirement can be completed in a reasonable timeframe.

The Credit Management BPM and other Credit Policy documents can be found on the [Settlements](#) web page

**Officer Certification**

With the implementation of FERC Order 741, the scheduling coordinator applicant must complete the Officer Certification form and submit a copy of their current risk policies, procedures and controls to the CAISO for review

**Application Access User Access Administrator (UAA) or Point of Contact (POC)**

A primary and secondary User Access Administrator (UAA) must be established for each company. This allows the CAISO continued communications with an entity regarding user access requests and reissues. The establishment of UAAs must be made by an individual at the external entity that has an appropriate level of authority and business understanding to designate UAAs. All Application Access Request Forms (AARFs) must be submitted by a designated UAA. The designated UAA must understand and agree with the terms stated in the Application Access Point of Contact Establishment and Requirements document.

Refer to the [User Access Administrator guide](#)

**System Requirements - Internet**

There is no Service Level Agreement (SLA) between an SC and the CAISO for ensuring connectivity. If the internet carrier selected by a CRR has an availability issue, it may affect the CRR Holder's ability to communicate with the CAISO. The CAISO holds no liability if internet carrier has an availability issue and the CRR Holder cannot send communications to the CAISO. The internet has little or no cost for setup and maintenance and minimal setup time.

**Master File Update**

Once all the requirements have been met, all documentation submitted and all applicable scheduling coordinator agreements are fully executed, the CAISO Master File will then be updated with the CRR Holder identifier (SCID). Master File updates will not be requested until all the required agreements are signed, returned to the CAISO, and signed by a CAISO officer. This is a compliance requirement. (SAS70).

The Master File update propagates the various systems with the Candidate CRR data and in turn initiates the process to generate passwords and allows access for the applicable systems. Access for the various systems is requested once Master File is updated with an effective date for the SCID.

**Note:** The effective date in the Master File is not the initial trade date. The initial trade date is based on obtaining the digital certificate and having access provisioned, which can be an additional 5 -10 business days after the access requests are submitted and approved.



**CAISO Market Applications/Systems**

In order to gain access to the CAISO market applications, the CRR applicant must have User Access Administrator (UAA) registered with the CAISO. The UAA then gains access to the Access Identity Management (AIM) system. The certified Scheduling Coordinator’s UAA can request certificates and provision access to CAISO market applications through the AIM tool once the Master File has been updated with an effective date for the SCID. Link to the application access web page: [CAISO Market Applications](#).

Some Candidate CRR Holders also want access to specific data sets that require a non-disclosure agreements. These must be executed in advance of requesting access. The information for these non-disclosure agreements can also be found on the ISO web site Participate > Application access > Non-disclosure agreements.

<http://www.caiso.com/participate/Pages/ApplicationAccess/Default.aspx>

The two that most Candidate CRR Holders request are:

- Congestion Revenue Rights Full Network Model
- Protected Data

**Required Documents**

The following table lists each required document and its purpose. After the application and fee are received and approved, the CRR applicant is assigned a coordinator who will set an initial conference call and will go over each requirement in greater detail. These documents are posted under SC Forms on the [Become a Scheduling Coordinator](#) web page

Doc Name	Purpose
Information Request Sheets* for the appropriate agreements	<p>The information from these documents is used to complete the actual agreement(s). Once all the requirements have been met, this form is sent to Regulatory Contracts to prepare the agreements.</p> <p>Agreement Information Requests Sheets can be found on this web page under Pro forma agreements.  <a href="http://www.caiso.com/rules/Pages/ContractsAgreements/Default.aspx">http://www.caiso.com/rules/Pages/ContractsAgreements/Default.aspx</a></p> <p><b>Important:</b> Use the company’s exact full legal name</p>
Electronic Funds Transfer form	<p>Form used to test the transfer of funds to and from the ISO via fed wire or ACH. The tested bank account data is updated in production system when the master file system is updated.</p> <p>EFT Procedure:  <a href="http://www.caiso.com/Documents/ElectronicFundsTransferProcedure.pdf">http://www.caiso.com/Documents/ElectronicFundsTransferProcedure.pdf</a></p> <p>EFT Form: <a href="http://www.caiso.com/Documents/ElectronicFundsTransfer-BankAccountChangeForm.pdf">http://www.caiso.com/Documents/ElectronicFundsTransfer-BankAccountChangeForm.pdf</a></p>



Officer Certification form	FERC Order requirement to submit a signed form. <a href="http://www.caiso.com/Documents/ISOFormOfficerCertification.doc">http://www.caiso.com/Documents/ISOFormOfficerCertification.doc</a>  In addition, the applicant must also submit a copy of their risk management, procedures and controls documentation. These are reviewed and approved by the CAISO Finance team.
ISO Affiliate and Resource Control Agreement Disclosure form	Part of the local market power mitigation requirement, all SC applicants are required to submit the affiliate form and if scheduling physical energy, the resource control agreement form as applicable. <a href="http://www.caiso.com/Documents/ISOAffiliationResourceControlAgreementDisclosureForm.xls">http://www.caiso.com/Documents/ISOAffiliationResourceControlAgreementDisclosureForm.xls</a>
User Access Administrator agreement	User Access Administrator (UAA) Agreement provides the authorization for primary and secondary UAAs to create users, generate digital certificates and provision access to ISO systems. <a href="https://na2.docusign.net/Member/PowerFormSigning.aspx?PowerFormId=a71b0fae-1d10-4b15-8c0d-ba25697d2d8f">https://na2.docusign.net/Member/PowerFormSigning.aspx?PowerFormId=a71b0fae-1d10-4b15-8c0d-ba25697d2d8f</a>
Contact List	List provided to the ISO from the SC applicant providing contacts for various business units such as settlements, IT, metering, Day Ahead Scheduling etc. <a href="http://www.caiso.com/Documents/SchedulingCoordinatorContactListTemplate.xls">http://www.caiso.com/Documents/SchedulingCoordinatorContactListTemplate.xls</a>
CRR Agreement	Upon completion of <b>all</b> requirements, all agreements will be issued for signature. <b>Note:</b> The information for these agreements is provided on the Information Request Sheets.*

**For additional questions regarding Candidate CRR Holder Registration:** Send an email to [SCRequests@caiso.com](mailto:SCRequests@caiso.com)