

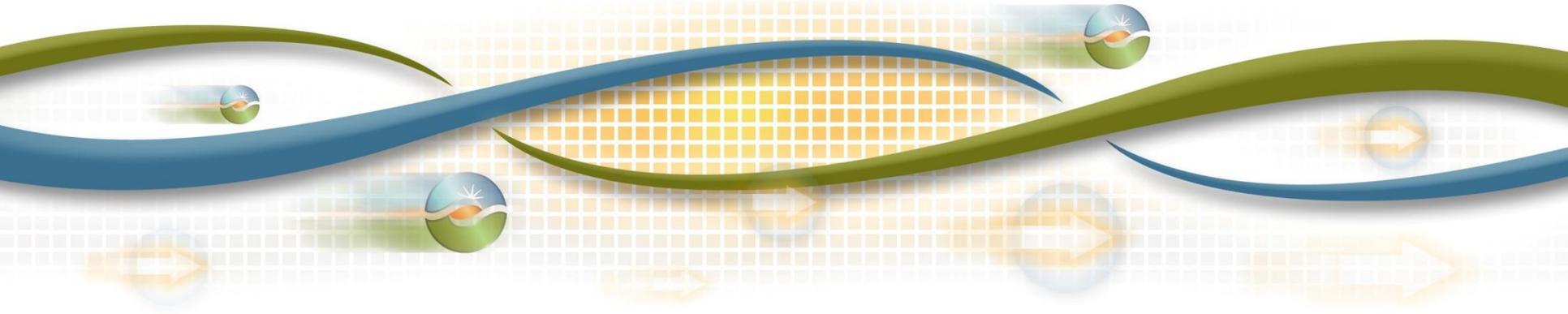
BPM Change Management Meeting

April 25, 2017

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BPM Change Management Process

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Agenda – BPM Change Management Meeting, April 25, 2017

Topic	Presenter
Introduction/meeting overview	Julia Payton
<u>Discussion of current PRRs:</u> Reliability Requirements Generator Management Generator Interconnection and Deliverability Allocation Procedures Market Operations Energy Imbalance Market Settlements and Billing	Gautham Katta Raeann Quadro Phelim Tavares Jamal Batakji Jamal Batakji Bonnie Peacock
PRRs to be discussed at later date 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

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 Since then, other CPUC decisions have superseded that decision and clarified the purposes and situations in which LSEs may include new resources under construction to meet their annual RA requirements.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.
- Recommendation stakeholder comments:
 - No comments submitted
- ISO response/position:
 - PRR submitted by San Diego Gas & Electric Company
 - ISO posted a redlined version response 3/16/17
- Recommendation comment period expiration:
 - April 17, 2017
- Next step: Post Final Decision

PRRs for Discussion – Initial Phase Reliability Requirements BPM

PRR	PRR Title
986	Update resource adequacy availability incentive mechanism assessment hours

PRR 986 – Update resource adequacy availability incentive mechanism assessment hours

- Reason for revision:
 - The change is due to the flex assessment study.
- Initial stakeholder comments:
 - No comments submitted
- ISO response/position:
 - ISO posted the PRR.
- Initial comment period expiration:
 - April 25, 2017
- Next step: Post Recommendation

PRRs for Discussion – Recommendation 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.
- Recommendation 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
- Recommendation comment period expiration:
 - April 17, 2017
- Next step: Post Final Decision

PRRs for Discussion – Recommendation 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.
- Recommendation stakeholder comments:
 - Pacific Gas & Electric Company posted 4/17/17
 - Large Scale Solar Association response posted 4/18/17
- ISO response/position:
 - ISO response posted a response on 3/28/17
 - ISO posted recommendation on 4/3/17
- Recommendation comment period expiration:
 - April 17, 2017
- Next step: Post Final Decision

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

PRR	PRR Title
981	Parked projects requesting Generator Interconnection Agreements

PRR 981 – Parked projects requesting Generator Interconnection Agreements

- Reason for revision:
 - Adding process for parked projects requesting GIAs and changes to 2nd posting requirements.
- Initial stakeholder comments:
 - Westlands Solar Park posted 4/17/17
 - Large Scale Solar Association posted 4/18/17
- ISO response/position:
 - ISO response posted 4/25/17 indicating a Withdrawal of PRR 981.
- Initial comment period expiration:
 - April 17, 2017
- Next step: Post Recommendation

PRRs for Discussion – Initial Phase Energy Imbalance Market BPM

PRR	PRR Title
984	Emergency: Hourly block schedule difference calculation

PRR 984 – Hourly block schedule difference calculation

- Reason for revision:
 - This is due to a recent discovery regarding netting, versus not netting, imports and exports for every hour, for the purpose of calculating histograms percentage differences. Effective 4/1/17.
- Initial stakeholder comments:
 - No comments submitted
- ISO response/position:
 - ISO posted the PRR
- Initial comment period expiration:
 - April 20, 2017
- Next step: Post Recommendation

PRRs for Discussion – Initial Phase Market Operations BPM

PRR	PRR Title
985	Emergency: Power balance constraint relaxation

PRR 985 – Power balance constraint relaxation

- Reason for revision:
 - The first change is to reduce the amount of power balance constraint relaxation for over-supply conditions. The other two changes are updates due to additional EIM entities; and deletion of penalty prices related to flexible ramp constraint which is no longer in place after the implementation of the flexible ramping product. Effective date for the power balance relaxation constraint is April 10th.
- Initial stakeholder comments:
 - Pacific Gas & Electric Company 4/20/17
- ISO response/position:
 - ISO response posted on 4/21/17
- Initial comment period expiration:
 - April 24, 2017
- Next step: Post Recommendation

PRRs for Discussion – Recommendation Phase Settlements and Billing BPM

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

PRRs for Discussion – Recommendation 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 (doc only update)	<p>No recommendation comments submitted.</p> <p>Comment period expired 4/17/17;</p> <p>Next Step: Post final decision</p>	<p><i>No changes since the last meeting</i></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 & 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>

PRRs for Discussion – Initial Phase Settlements and Billing BPM

PRR	PRR Title
978	Emergency: Update CC 7077 and CC 7087 to reflect correct unit of measure (UOM) for inputs that convey resource-specific RTD Flexible Ramp Uncertainly Movement and BAA-level uncertainty.
979	Emergency: Update pre-calculation start-up and minimum load cost to resolve an issue that relates to the qualification of real time market transition cost for a multi-stage generating resource
987	Emergency: Resource adequacy availability incentive mechanism updated calculations and business rules for reliability demand response resource, long start, and extremely long start resources

PRRs for Discussion – Initial Phase

PRR	CC/PC	Comment Expiration / Next Step	ISO Position / Reason for Revision
978	<p>CC 7077 – Daily Flexible Ramp Up Uncertainty Award Allocation</p> <p>CC 7087 – Daily Flexible Ramp Down Uncertainty Award Allocation</p>	<p>No initial comments submitted.</p> <p>Initial comment period expired 4/5/17;</p> <p>Next Step: Post recommendation</p>	<p>A CIDI ticket reveals that the CCs 7077 and 7087 are incorrectly applying some inputs in a different unit of measure (MW) than expected (MWh). The error associated with uncertainly movement category quantities results in an incorrect allocation quantity for Supply and MSS Load Following resources.</p> <p>The proposed revision converts the above input from MW to MWh before applying it, it entails a division by 12.</p> <p>These changes have a retroactive effective date starting with Trade Day November 1, 2016 to capture all Trade Days for which a Flexible Ramping Product (FRP) charge allocation expected to be settled.</p>
979	<p>Pre-calculation Start-up and Minimum Load Cost</p>	<p>No initial comments submitted.</p> <p>Initial comment period expired 4/5/17;</p> <p>Next Step: Post recommendation</p>	<p>A CIDI ticket reveals that the Start-up and Minimum Load Cost Pre-calculation is incorrectly calculating the Bid Cost Recovery (BCR)-eligible Transition Cost (TC) of a Multi-Stage Generating Resource, when the resource exceeds the Pmax limit in response to an ISO instruction to another MSG Configuration that is higher than the MSG Configuration to which the Pmax applies.</p> <p>The proposed revision removes the PMax requirement imposed on the MSG “To” configuration in order for the cost of such transitioning to be eligible for BCR.</p> <p>These changes have a retroactive effective date starting with Trade Day May 1, 2014 to capture all Trade Days for which the defect affects the configuration.</p>

PRRs for Discussion – Initial Phase

PRR	CC/ PC	Comment Expiration / Next Step	ISO Position / Reason for Revision
987	PC RA Availability Incentive Mechanism CC 8830 Monthly Resource Adequacy Availability Incentive Mechanism Settlement	No initial comments submitted. Initial comment period expires 4/28/17; Next Step: Post recommendation	<p>A dispute made highlights how the RAAIM settlement calculation was determining RA obligation for RDRR and PDR resources that were Long Start.</p> <p>The below Business Rules are proposed to be added to the RAAIM precalculation: *RDRR resources shall not be subject to RA obligation in the Day Ahead Market *Long Start resources not committed in the Day Ahead Market or RUC for a given trade hour, will be released from any RA obligation in the Real Time Market for the given trade hour *Extremely Long Start resources not committed by Day Ahead Market under ELC process for a given trade hour, will not be subject to RA obligation in Real Time Market for the given trade hour</p> <p>The calculations for determining the average monthly RA and Flexible RA are being revised to ensure that hours in the Real Time Market not subject RA obligation are not included in the average monthly RA and Flexible RA MWs.</p> <p>The rules and associated formula changes are anticipated for implementation by 4/24/2017 with a 11/1/2016 effective date</p>

PRRs to be Discussed during May and June BPM meetings

– Initial Phase

PRR	BPM	PRR Title
982	GIDAP	Submitted by LSA: Phased third interconnection financial security posting clarifications
983	GIDAP	Submitted by LSA: Interconnection financial security posting process clarifications
988	SB	Emergency: Update configuration guides to ensure that balancing authority area(s) which has declared a market interruption are not assessed over and under-scheduling EIM over and under-scheduling EIM allocation during the market interruption periods
989	SB	Emergency: Updated BPM Configuration guides for PC RUC No Pay Quantity to accommodate the fact that the RUC No Pay calculations were incorrectly did not incorporate the FMM minimum load energy quantity implemented with FERC 764 on 5/1/2014

- PRRs 982, 983 and 988 processed and market noticed on 4/18/17
 - Initial comment period 4/18/17 through 5/2/17
 - ISO posted proposed edits on PRR 982 4/18/17
- PRR 989 processed and market noticed on 4/19/17
 - Initial comment period 4/19/17 through 5/3/17

Next Steps

Next Meeting:

May 23, 2017

BPM Change Management Process
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