

 <b>CALIFORNIA ISO</b> <small>California Independent System Operator</small>	<b>Settlements / Rerun</b>	Version No.	1.4
		<b>AMENDMENT 51</b>	
<b>Intra-Zonal Congestion - Issue 11</b>		Effective Date	01/30/04

## PURPOSE

The CAISO will implement an automated tool to reallocate Intra-Zonal Congestion Charges (CT 451 and 452) in order to charge parties correctly. Even though Charge Types 451 and 452 will be internally automated for the re-runs, these two Charge Types will continue to be classified as manual charge types in the Charge Matrix and Settlement File Specification. The correct allocation methodology that the CAISO will use with regard to these two Charge Types is; (1) the portion of an OOS or OOM bid in excess of the MCP will be allocated to manual Charge Type 451 (Real-time Intra-Zonal Congestion Inc/Dec Settlement), and (2) the manual CT 451 amount related to OOM and OOS Intra-Zonal dispatches will be allocated to manual CT 452.

## BACKGROUND

After reviewing data for the Reliability call types for Out of Sequence (OOS) and Out of Market (OOM), the following was identified:

1. All of the INC Bid charges for the Reliability call types per resource were originally paid in Charge Type 401 until December 12, 2000
  - a. The portion within the MCP and above the MCP was paid in 401
  - b. The portion above MCP should have be charged and paid through CT 451 and 452
2. All of the DEC Bid charges for the Reliability call types per resource were originally paid in Charge Type 401 until October 29, 2000

The above methodology for Charge Type 401 is incorrect, because the excess cost charge types for Reliability (Charge Type 451 and Charge Type 452) were effective as of September 1, 2000.

## OUTLINE

- 1 Recalculate Billable Quantity and Price
- 2 Reverse Historical Calculations
- 3 Validation
- 4 Calculate New Charges

## PROCESS DESCRIPTION

All processes listed below are to be completed by the CAISO unless otherwise stated.

- 1 Update Source Data
- 2 Reverse Historical Calculations relating to Intra-Zonal congestion Charges
- 3 Validation
  - 3.1 Pre Validation
    - A Verify changes prior to data push to Settlements
  - 3.2 Post Validation

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A Verify data after Settlements System batch calculations

4 Calculate New Charges

## REFERENCES

- 1 CAISO's Amendment No. 51 filing in Docket No. ER03-746, and other pleadings filed by the CAISO in that Docket.
- 2 Tariff Section 7.3.2 – Grid Operations Charge for Intra-Zonal congestion
- 3 Tariff Section 11.2.4.2.1 – Allocation of Costs Resulting From ISO Dispatch Orders

## ASSUMPTIONS

- 1 The cost of Out of Sequence (OOS) Intra-Zonal dispatches in excess of MCP are allocated to zonal load, based on load and real-time exports
- 2 The cost of Out of Market (OOM) Intra-Zonal dispatches in excess of MCP are allocated to the responsible Participating Transmission Operator (PTO)

## AFFECTED CHARGE TYPES

The following is a list of potentially affected Charge Types

- 401
- 451
- 452
- 1010

## EXPECTED IMPACT

- 1 Reversal of manual Excess adjustments
- 2 Reallocation of Excess cost for Reliability call type for OOS and OOM:
  - 2.1 For OOM dispatches, the cost will be allocated to the responsible PTO
  - 2.2 For OOS dispatches, the costs will be allocated to Zonal Load