

2009 CRR Release Process

A discussion of the policy direction and timing for the allocation and auction of CRRs based upon an MRTU start-up in early 2009.

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What has been done before on releasing CRRs?

- Background and context of CRR Release Process in White Paper posted August 8 at:
<http://www.caiso.com/201d/201d992439ab0.pdf>
- Stakeholder process in spring 2008
 - First quarter 2009 under CRR Year One rules.
 - Quarters 2-4 2009 under CRR Year 2 rules.
 - July 29, 2008 FERC order approved these policies:
<http://www.caiso.com/2014/2014758025220.pdf>
- Current Schedule for 2009 annual CRR release is posted here:
<http://www.caiso.com/1faa/1faaa71615900.pdf>

How does the CAISO propose to manage the 2009 CRR release in light of MRTU start-up in early 2009?

- Try to adhere to current schedule ...
 - Eight weeks for annual allocation, 2-3 weeks for annual auction
 - MRTU start-up may occur as early as February 1 (although no “Go Live” date has been established yet.)
 - Annual process must be complete before first monthly CRR release.
 - First monthly process should begin approximately 60 days before “Go Live.”

- ...But consider one-week delay in the start of the nomination process.
 - So the nomination window for the first tier could open on September 10 instead of September 3.

How does the CAISO propose to manage the 2009 CRR release in light of MRTU start-up in early 2009?

- Assuming a possible start-up on February 1, 2009...
 - Allocation for first quarter 2009 CRRs should have terms of two months.
 - Auction for first quarter 2009 CRRs should have terms of two months, unless new information is available when the auction is conducted in November 2008.
- Further stakeholder discussion should “Go Live” extend beyond first quarter of 2009.
- Firm Transmission Rights (FTRs) are in place through March 31, 2009.
 - CAISO will assess need for new annual FTR auction by December 2008.

What are the implications regarding the month(s) in 2009 for which CRRs will NOT be released?

- Assuming a possible February 1 start date,
 - The seasonal CRRs for 2009/Q1 as well as LT-CRRs for Q1 would be based only on Feb-March source verification, and the month of January would not have been subject to any source verification.
- How should the seasonal CRRs for 2010/Q1 be managed?
- How should the staggered release of LT-CRRs be managed?

What are the next steps?

- Stakeholder discussion today.
- Further written stakeholder comments are welcome.
 - Send to CRRComments@caiso.com by August 21.
- Seek to confirm schedule and policy direction by August 22 – possibly sooner.
- Possible FERC filing in late August.