

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**California Independent System Operator Corporation**

**Fifth Replacement FERC Electric Tariff**

**Transmission Reliability Margin Amendment**

**Blacklines**

**December 21, 2011 DRAFT**

**Blackline of Revisions to Appendix L of the Tariff**

**Appendix L: Method To Assess Available Transfer Capability**

**L.1 Description of Terms**

The following descriptions augment existing definitions found in Appendix A "Master Definitions Supplement."

**L.1.1 Available Transfer Capability (ATC)** is a measure of the transfer capability in the physical transmission network resulting from system conditions and that remains available for further commercial activity over and above already committed uses.

ATC is defined as the Total Transfer Capability (TTC) less applicable operating Transmission Constraints due to system conditions and Outages (i.e., OTC), less the Transmission Reliability Margin (TRM) , less the sum of any unused existing transmission commitments (ETComm) (i.e., transmission rights capacity for ETC or TOR), less the Capacity Benefit Margin (CBM) (which value is set at zero), less the Scheduled Net Energy from Imports/Exports, less Ancillary Service capacity from Imports.

**L.1.2 Total Transfer Capability (TTC)** is defined as the amount of electric power that can be moved or transferred reliably from one area to another area of the interconnected transmission system by way of all transmission lines (or paths) between those areas under specified system conditions. In collaboration with owners of rated paths and the WECC Operating Transfer Capability Policy Committee (OTCPC), the CAISO utilizes rated path methodology to establish the TTC of CAISO Transmission Interfaces.

**L.1.3** .

**L.1.4 Existing Transmission Commitments (ETComm)** include Existing Contracts and Transmission Ownership Rights (TOR). The CAISO reserves transmission capacity for each ETC and TOR based on TRTC Instructions the responsible Participating Transmission Owner or Non-Participating Transmission Owner submits to the CAISO as to the amount of firm transmission capacity that should be reserved on each Transmission Interface for each hour of the Trading Day in accordance with Sections 16 and 17 of the CAISO Tariff. The types of TRTC Instructions the CAISO receives generally fall into three basic categories:

* The ETC or TOR reservation is a fixed percentage of the TTC on a line, which decreases as the TTC is derated (ex.  TTC = 300 MW, ETC fixed percentage = 2%, ETC = 6 MWs.  TTC derated to 200 MWs, ETC = 4 MWs);
* The ETC or TOR reservation is a fixed amount of capacity, which decreases if the line’s TTC is derated below the reservation level (ex. ETC = 80 MWs, TTC declines to 60 MW, ETC = TTC or 60 MWs; or
* The ETC or TOR reservation is determined by an algorithm that changes at various levels of TTC for the line (ex. Intertie TTC = 3,000 MWs, when line is operating greater than 2,000 MWs to full capacity ETC = 400 MWs, when capacity is below 2000 MWs ETC = TTC/2000\* ETC).

Existing Contract capacity reservations remain reserved during the Day-Ahead Market and Hour-Ahead Scheduling Process (HASP). To the extent that the reservations are unused, they are released in real-time operations for use in the Real-Time Market.

Transmissions Ownership Rights capacity reservations remain reserved during the Day-Ahead Market and HASP, as well as through real-time operations. This capacity is under the control of the Non-Participating Transmission Owner and is not released to the CAISO for use in the markets.

**L.1.5 ETC Reservations Calculator (ETCC)**. The ETCC calculates the amount of firm transmission capacity reserved (in MW) for each ETC or TOR on each Transmission Interface for each hour of the Trading Day.

* **CAISO Updates to ETCC Reservations Table.** The CAISO updates the ETC and TOR reservations table (if required) prior to running the Day-Ahead Market and HASP. The amount of transmission capacity reservation for ETC and TOR rights is determined based on the TTC of each Transmission Interface and in accordance with the curtailment procedures stipulated in the existing agreements and provided to the CAISO by the responsible Participating Transmission Owner or Non-Participating Transmission Owner.
* **Market Notification.** ETC and TOR allocation (MW) information is published for all Scheduling Coordinators which have ETC or TOR scheduling responsibility in advance of the Day-Ahead Market and HASP. This information is posted on the Open Access Same-Time Information System (OASIS).
* For further information, see CAISO Operating Procedure M-423, Scheduling of Existing Transmission Contract and Transmission Ownership Rights, which is publicly available on the CAISO Website.

**L.1.6 Transmission Reliability Margin (TRM)** is the amount of transmission transfer capability necessary to provide reasonable assurance that the interconnected transmission network will be secure. TRM accounts for the inherent uncertainty in system conditions and the need for operating flexibility to ensure reliable system operation as system conditions change.

The CAISO uses TRM to account for the following NERC-approved components of uncertainty:

* Forecast uncertainty in transmission system topology, including forced or unplanned outages or maintenance outages.
* Allowances for parallel path (loop flow) impacts, including unscheduled loop flow.
* Allowances for simultaneous path interactions.

The CAISO establishes hourly TRM values for each of the applicable components of uncertainty prior to the Market Close of the HASP. The CAISO does not use TRM (i.e., TRM values are set at zero) during the beyond day-ahead and pre-schedule (i.e., planning) time frame indentified in R.1.3.3 of NERC Reliability Standard MOD-008-1. A positive TRM value for a given hour is set only if one or more of the conditions set forth below exists. Where none of these conditions exist, the TRM value for a given hour is set at zero.

The methodology the CAISO uses to establish each component of uncertainty is as follows:

The CAISO uses the transmission system topology component of uncertainty to address a potential ATC path limit reduction at an Intertie resulting from an emerging event, such as an approaching wildfire, that is expected to cause a derate of one or more transmission facilities comprising the ATC path. When the CAISO, based on existing circumstances, forecasts that such a derate is expected to occur, the CAISO may establish a TRM value for the affected ATC path in an amount up to, but no greater than, the amount of the expected derate.

The CAISO uses the parallel path component of uncertainty to address the impact of unscheduled flow (USF) over an ATC path that is expected, in the absence of the TRM, to result in curtailment of Intertie Schedules in Real Time as a result of the requirements established in WECC’s applicable USF mitigation policies and procedures (WECC USF Policy). When the CAISO forecasts, based on currently observed USF conditions and projected scheduled flow for an upcoming Operating Hour(s), that in the absence of a TRM, scheduled flow will need to be curtailed in Real Time under the applicable WECC USF Policy, the CAISO may establish a TRM for the ATC path for the applicable hour(s) in an amount up to, but no greater than, the forecasted amount that is expected to be curtailed in Real Time pursuant to the WECC USF Policy. The CAISO uses snapshots of USF data from its EMS in establishing TRM values for this component of uncertainty.

The CAISO uses the simultaneous path interactions component of uncertainty to address the impact that transmission flows on an ATC path located outside the CAISO’s Balancing Authority Area may have on the transmission transfer capability of an ATC path located at an Intertie. In the event of such path interactions, the CAISO uses a TRM value to prevent the risk of a system operating limit violation in Real Time for the CAISO ATC path. The amount of the TRM value may be set at a level up to, but not greater than, the forecasted impact on the CAISO ATC path’s capacity imposed by expected flow on the non-CAISO ATC path.

The CAISO uses the following databases or information systems, or their successors, in connection with establishing TRM values: SLIC, Existing Transmission Contract Calculator (ETCC), PI, EMS, and CAS.

**L.1.7 Capacity Benefit Margin (CBM)** is that amount of transmission transfer capability reserved for Load Serving Entities (LSEs) to ensure access to Generation from interconnected systems to meet generation reliability requirements. In the Day-Ahead Market, CBM may be used to provide reliable delivery of Energy to CAISO Balancing Authority Area Loads and to meet CAISO responsibility for resource reliability requirements in Real-Time. The purpose of this DAM implementation is to avoid Real- Time Schedule curtailments and firm Load interruptions that would otherwise be necessary. CBM may be used to reestablish Operating Reserves. CBM is not available for non-firm transmission in the CAISO Balancing Authority Area. CBM may be used only after:

* all non-firm sales have been terminated,
* direct-control Load management has been implemented,
* customer interruptible Demands have been interrupted,
* if the LSE calling for its use is experiencing a Generation deficiency and its transmission service provider is also experiencing transmission Constraints relative to imports of Energy on its transmission system.

The level of CBM for each Transmission Interface is determined by the amount of estimated capacity needed to serve firm Load and provide Operating Reserves based on historical, scheduled, and/or forecast data using the following equation to set the maximum CBM:

CBM = (Demand + Reserves) - Resources

Where:

* Demand = forecasted area Demand
* Reserves = reserve requirements
* Resources = internal area resources plus resources available on other Transmission Interfaces

The CAISO does not use CBMs. The CBM value is set at zero.

**L.2 ATC Algorithm**

The ATC algorithm is a calculation used to determine the transfer capability remaining in the physical transmission network and available for further commercial activity over and above already committed uses. The CAISO posts the ATC values in megawatts (MW) to OASIS in conjunction with the closing events for the Day-Ahead Market and HASP Real-Time Market process.

The following OASIS ATC algorithms are used to implement the CAISO ATC calculation for the ATC rated path (Transmission Interface):

ATC Calculation For Imports:

ATC = TTC – CBM – TRM – AS from Imports- Net Energy Flow - Hourly Unused TR Capacity.

ATC Calculation For Exports:

ATC = TTC – CBM – TRM – Net Energy Flow - Hourly Unused TR Capacity.

ATC Calculation For Internal Paths 15 and 26:

ATC = TTC – CBM – TRM – Net Energy Flow

The specific data points used in the ATC calculation are each described in the following table.

|  |  |  |
| --- | --- | --- |
| ATC  | ATC MW  | Available Transfer Capability, in MW, per Transmission Interface and path direction.  |
| Hourly Unused TR Capacity | USAGE\_MW | The sum of any unscheduled existing transmission commitments (scheduled transmission rights capacity for ETC or TOR), in MW, per path direction. |
| Scheduled Net Energy from Imports/Exports(Net Energy Flow) | ENE IMPORT MW | Total hourly net Energy flow for a specified Transmission Interface. |
| AS from Imports  | AS IMPORT MW  | Ancillary Services scheduled, in MW, as imports over a specified Transmission Interface. |
| TTC  | TTC MW  | Hourly Total Transfer Capability of a specified Transmission Interface, per path direction, with consideration given to known Constraints and operating limitations.  |
|  |  |  |
| CBM | CBM MW | Hourly Capacity Benefit Margin, in MW, for a specified Transmission Interface, per Path Direction. |
| TRM | TRM MW | Hourly Transmission Reliability Margin, in MW, for a specified Transmission Interface, per path direction. |
|  |  | . |

Actual ATC mathematical algorithms and other ATC calculational information are located in the CAISO’s ATC Implementation Document (ATCID) posted on OASIS.

**L.3 ATC Process Flowchart**

[Note to Stakeholders: This is a revised version of the ATC Process Flowchart that appears in Section L.3 of the ISO’s current Appendix L. We are unable to show the changes in redline format.]

****

**L.4** **TTC Determination**

All transfer capabilities are developed to ensure that power flows are within their respective operating limits, both pre-Contingency and post-Contingency. Operating limits are developed based on thermal, voltage and stability concerns according to industry reliability criteria (WECC/NERC) for transmission paths. The process for developing TTC also requires i the inclusion or exclusion of operating Constraints based on system conditions being studied. .

**L.4.1** Transfer capabilities for studied configurations may be used as a maximum transfer capability for similar conditions without conducting additional studies. Increased transfer capability for similar conditions must be supported by conducting appropriate studies.

**L.4.1.2** At the CAISO, studies for all major inter-area paths’ (mostly 500 kV) TTC are governed by the California Operating Studies Subcommittee (OSS) as one of four sub-regional study groups of the WECC OTCPC (i.e., for California sub-region), which provides detailed criteria and methodology. For transmission system elements below 500 kV the methodology for calculating these flow limits is detailed in Section L.4.3 and is applicable to the operating horizon.

**L.4.2** Transfer capability may be limited by the physical and electrical characteristics of the systems including any one or more of the following:

* **Thermal Limits** – Thermal limits establish the maximum amount of electric current that a transmission line or electrical facility can conduct over a specified time-period as established by the Transmission Owner.
* **Voltage Limits** – System voltages and changes in voltages must be maintained within the range of acceptable minimum and maximum limits to avoid a widespread collapse of system voltage.
* **Stability Limits** – The transmission network must be capable of surviving disturbances through the transient and dynamic time-periods (from milliseconds to several minutes, respectively) following the disturbance so as to avoid generator instability or uncontrolled, widespread interruption of electric supply to customers.

**L.4.3** **Determination of transfer capability** is based on computer simulations of the operation of the interconnected transmission network under a specific set of assumed operating conditions. Each simulation represents a single "snapshot" of the operation of the interconnected network based on the projections of many factors. As such, they are viewed as reasonable indicators of network performance and may ultimately be used to determine Available Transfer Capability. The study is meant to capture the worst operating scenario based on the RTE experience and good engineering judgment.

**L.4.3.1** **System Limits** – The transfer capability of the transmission network may be limited by the physical and electrical characteristics of the systems including thermal, voltage, and stability consideration. Once the critical Contingencies are identified, their impact on the network must be evaluated to determine the most restrictive of those limitations. Therefore, the TTC becomes:

TTC = lesser of {Thermal Limit, Voltage Limit, Stability Limit} following N-1worst

**L.4.3.2** }

**L.5 Developing a Power Flow Base-Case**

**L.5.1** **Base-cases** will be selected to model reality to the greatest extent possible including attributes like area Generation, area Load, Intertie flows, etc. At other times (e.g., studying longer range horizons), it is prudent to stress a base-case by making one or more attributes (Load, Generation, line flows, path flows, etc.) of that base-case more extreme than would otherwise be expected.

**L.5.2 Power Flow Base-Cases Separated By Geographic Region**

The standard RTE base-cases are split into geographical regions within the CAISO Controlled Grid.

**L.5.3 Power Flow Base-Cases Selection Methodology**

The RTE determines the studied geographical area of the procedure. This determines the study base-cases from the Bay Area, Fresno Area, North Area, SCE Area, or SDG&E Area.

The transfer capability studies may require studying a series of base-cases including both peak and off-peak operation conditions.

**L.5.4 Update a Power Flow Base-Case**

After the RTE has obtained one or more base-case studies, the base-case will be updated to represent the current grid conditions during the applicable season. The following will be considered to update the base-cases:

* Recent transmission network changes and updates
* Overlapping scheduled and Forced Outages
* Area Load level
* Major path flows
* Generation level
* Voltage levels
* Operating requirements

**L.5.4.1 Outage Consideration**

Unless detailed otherwise, the RTE considers modeling Outages of:

* Transmission lines, 500 kV
* Transformers, 500/230 kV
* Large Generating Units
* Generating Units within the studied area
* Transmission elements within the studied area

At the judgment of the RTE, only the necessary Outages will be modeled to avoid an unnecessarily burdensome and large number of base-cases.

**L.5.4.2 Area Load Level**

Base-case Demand levels should be appropriate to the current studied system conditions and customer Demand levels under study and may be representative of peak, off-peak or shoulder, or light Demand conditions. The RTE estimates the area Load levels to be utilized in the peak, partial-peak and/or off-peak base-cases. The RTE will utilize the current CAISO Load forecasting program (e.g., ALFS), ProcessBook (PI) or other competent method to estimate Load level for the studied area. Once the RTE has determined the correct Load levels to be utilized, the RTE may scale the scale the base-case Loads to the area studied, as appropriate.

**L.5.4.3 Modify Path Flows**

The scheduled electric power transfers considered representative of the base system conditions under analysis and agreed upon by the parties involved will be used for modeling. As needed, the RTE may estimate select path flows depending on the studied area. In the event that it is not possible to estimate path flows, the RTE will make safe assumptions about the path flows. A safe assumption is more extreme or less extreme (as conservative to the situation) than would otherwise be expected. If path flow forecasting is necessary, if possible the RTE will trend path flows on previous similar days.

**L.5.4.4 Generation Level**

Utility and non-utility Generating Units will be updated to keep the swing Generating Unit at a reasonable level. The actual unit-by-unit Dispatch in the studied area is more vital than in the un-studied areas. The RTE will examine past performance of select Generating Units to estimate the Generation levels, focusing on the Generating Units within the studied area. In the judgment of the RTE, large Generating Units outside the studied area will also be considered.

**L.5.4.5 Voltage Levels**

Studies will maintain appropriate voltage levels, based on operation procedures for critical buses for the studied base-cases. The RTE will verify that bus voltage for critical busses in within tolerance. If a bus voltage is outside the tolerance band, the RTE will model the use of voltage control devices (e.g., synchronous condensers, shunt capacitors, shunt reactors, series capacitors, generators).

**L.6 Contingency Analysis**

The RTE will perform Contingency analysis studies in an effort to determine the limiting conditions, especially for scheduled Outages, including pre- and post-Contingency power flow analysis modeling pre- and post-Contingency conditions and measuring the respective line flows, and bus voltages.

Other studies like reactive margin and stability may be performed as deemed appropriate.

**L.6.1 Operating Criteria and Study Standards**

Using standards derived from NERC and WECC Reliability Standards and historical operating experience, the RTE will perform Contingency analysis with the following operating criteria:

**Pre-Contingency**

* All pre-Contingency line flows shall be at or below their normal ratings.
* All pre-Contingency bus voltages shall be within a pre-determined operating range.

**Post-Contingency**

* All post-Contingency line flows shall be at or below their emergency ratings.
* All post-Contingency bus voltages shall be within a pre-determined operating range.

**The RTE models the following Contingencies:**

* Generating Unit Outages (including combined cycle Generating Unit Outages which are considered single Contingencies).
* Line Outages
* Line Outages combined with one Generating Unit Outage
* Transformer Outages
* Synchronous condenser Outages
* Shunt capacitor or capacitor bank Outages
* Series capacitor Outages
* Static VAR compensator Outages
* Bus Outages – bus Outages can be considered for the following ongoing Outage conditions.
* For a circuit breaker bypass-and-clear Outage, bus Contingencies shall be taken on both bus segments that the bypassed circuit breaker connects to.
* For a bus segment Outage, the remaining parallel bus segment shall be considered as a single Contingency.
* Credible overlapping Contingencies – Overlapping Contingencies typically include transmission lines connected to a common tower or close proximity in the same right-of-way.

**L.6.2 Manual Contingency Analysis**

If manual Contingency analysis is used, the RTE will perform pre-Contingency steady-state power flow analysis and determines if pre-Contingency operating criteria is violated. If pre-Contingency operating criteria cannot be preserved, the RTE records the lines and buses that are not adhering to the criteria. If manual post-Contingency analysis is used the RTE obtains one or more Contingencies in each of the base cases. For each Contingency resulting in a violation or potential violation in the operating criteria above, the RTE records the critical post-Contingency facility loadings and bus voltages.

**L.6.3 Contingency Analysis Utilizing a Contingency Processor**

For a large area, the RTE may utilize a Contingency processor.

**L.6.4 Determination of Crucial Limitations**

After performing Contingency analysis studies, the RTE analyzes the recorded information to determine limitations. The limitations are conditions where the pre-Contingency and/or post-Contingency operating criteria cannot be conserved and may include a manageable overload on the facilities, low post-Contingency bus voltage, etc. If no crucial limitations are determined, the RTE determines if additional studies are necessary.

**L.7 Traditional Planning Methodology to Protect Against Violating Operating Limits**

After performing Contingency analysis studies, the RTE next develops the transfer capability and develops procedures, Nomograms, RMR Generation requirements, or other Constraints to ensure that transfer capabilities respect operating limits.

**L.8 Limits for Contingency Limitations**

Transfer limits are developed when the post-Contingency loading on a transmission element may breach the element’s emergency rating. The type of limit utilized is dependent on the application and includes one of the following limits:

* Simple Flow Limit - best utilized when the derived limit is repeatable or where parallel transmission elements feed radial Load.
* RAS or SPS – existing Remedial Action Schemes (RAS) or special protection systems (SPS) may impact the derivation of simple flow limits. When developing the limit, the RTE determines if the RAS or SPS will be in-service during the Outage and factors the interrelationship between the RAS or SPS and the derived flow limit. RTE will update the transfer limits in recognition of the changing status and/or availability of the RAS or SPS.

**Blackline of Revisions to Affected Sections of the Main Tariff**

**6.5.2.1 Communications Regarding the State of the CAISO Controlled Grid**

The CAISO shall use OASIS to provide public information to Market Participants regarding the CAISO Controlled Grid or facilities that affect the CAISO Controlled Grid. Such information may include but is not limited to:

(a) Future planned Outages of transmission facilities;

(b) Total Transfer Capability (TTC); and

(c) Available Transfer Capability (ATC) for WECC paths and Transmission Interfaces with external Balancing Authority Areas.

\* \* \*

**6.5.2.3.2 Network and System Conditions**

By 6:00 p.m. the day prior to the target Day-Ahead Market, the CAISO will publish known network and system conditions, including but not limited to TTC and ATC, the total capacity of inter-Balancing Authority Area Transmission Interfaces, and the available capacity.

\* \* \*

# 23. Categories Of Transmission Capacity

References to new firm uses shall mean any use of CAISO transmission service, except for uses associated with Existing Rights or TORs. Prior to the start of the Day-Ahead Market, for each Balancing Authority Area Transmission Interface, the CAISO will allocate the forecasted Total Transfer Capability of the Transmission Interface to four categories. This allocation will represent the CAISO’s best estimates at the time, and is not intended to affect any rights provided under Existing Contracts or TORs. The CAISO’s forecast of Total Transfer Capability for each Balancing Authority Area Transmission Interface will depend on prevailing conditions for the relevant Trading Day, including limiting operational conditions. This information will be posted on OASIS in accordance with this CAISO Tariff. The four categories are as follows:

(a) transmission capacity that must be reserved for firm Existing Rights;

(b) transmission capacity that may be allocated for use as CAISO transmission service (i.e., "new firm uses");

(c) transmission capacity that may be allocated by the CAISO for conditional firm Existing Rights; and

(d) transmission capacity that may remain for any other uses, such as non-firm Existing Rights for which the Responsible PTO has no discretion over whether or not to provide such non-firm service.

## \* \* \*

## 30.8 Bids On Out-Of-Service Paths At Scheduling Points Prohibited

Scheduling Coordinators shall not submit any Bids or ETC Self-Schedules at Scheduling Points using a transmission path for any Settlement Period for which the Total Transfer Capability for that path is zero (0) MW. The CAISO shall reject Bids or ETC Self-Schedules submitted at Scheduling Points where the Total Transfer Capability on the transmission path is zero (0) MW. If the Total Transfer Capability of a transmission path at the relevant Scheduling Point is reduced to zero (0) after Day-Ahead Schedules have been issued, then, if time permits, the CAISO shall direct the responsible Scheduling Coordinators to reduce all MWh associated with the Bids on such zero-rated transmission paths to zero (0) in the HASP. As necessary to comply with Applicable Reliability Criteria, the CAISO shall reduce any non-zero (0) HASP Bids across zero-rated transmission paths to zero after the Market Close for the HASP.

\* \* \*

## 36.4 FNM For CRR Allocation And CRR Auction

When the CAISO conducts its CRR Allocation and CRR Auction, the CAISO shall use the most up-to-date DC FNM which is based on the AC FNM used in the Day-Ahead Market. The Seasonal Available CRR Capacity shall be based on the DC FNM, taking into consideration the following, all of which are discussed in the applicable Business Practice Manual: (i) any long-term scheduled transmission Outages, (ii) TTC adjusted for any long-term scheduled derates, (iii) a downward adjustment due to TOR or ETC as determined by the CAISO, and (iv) the impact on transmission elements used in the annual CRR Allocation and Auction of (a) transmission Outage or derates that are not scheduled at the time the CAISO conducts the Seasonal CRR Allocation or Auction determined through a methodology that calculates the breakeven point for revenue adequacy based on historical Outages and derates, and (b) known system topology changes, both as further defined in the Business Practice Manuals. The Monthly Available CRR Capacity shall be based on the DC FNM, taking into consideration: (i) any scheduled transmission Outages known at least thirty (30) days in advance of the start of that month as submitted for approval consistent with the criteria specified in Section 36.4.3, (ii) adjustments to compensate for the expected impact of Outages that are not required to be scheduled thirty (30) days in advance, including unplanned transmission Outages, (iii) adjustments to restore Outages or derates that were applied for use in calculating Seasonal Available CRR Capacity but are not applicable for the current month, (iv) any new transmission facilities added to the CAISO Controlled Grid that were not part of the DC FNM used to determine the prior Seasonal Available CRR Capacity and that have already been placed in-service and energized at the time the CAISO starts the applicable monthly process, (v) TTC adjusted for any scheduled derates or Outages for that month, and (vi) a downward adjustment due to TOR or ETC as determined by the CAISO. For the first monthly CRR Allocation and CRR Auction for CRR Year One, to account for any planned or unplanned Outages that may occur for the first month of CRR Year One, the CAISO will derate all flow limits, including Transmission Interface limits and normal thermal limits, based on statistical factors determined as provided in the Business Practice Manuals.

\* \* \*

**Blackline of Revisions to the Appendix A**

**Master Definitions Supplement**

## Available Transfer Capability (ATC)

The available capacity of a given transmission path, in MW, after subtraction from that path’s Total Transfer Capability of capacity associated with Existing Contracts and Transmission Ownership Rights and any Transmission Reliability Margin, as established consistent with CAISO and WECC transmission capacity rating guidelines, as further described in Appendix L.

\* \* \*

## Monthly Available CRR Capacity

The upper limit of network capacity that will be used in the monthly CRR Allocation and monthly CRR Auctions calculated by using TTC adjusted for Outages, derates, and Transmission Ownership Rights for the relevant month in accordance with Section 36.4.

\* \* \*

\* \* \*

## Seasonal Available CRR Capacity

The upper limit of network capacity that will be used in the annual CRR Allocation and annual CRR Auction calculated by effectively reducing TTC for Transmission Ownership Rights as if all lines will be in service for the relevant year in accordance with Section 36.4.

\* \* \*

## Total Transfer Capability (TTC)

The amount of electric power that can be moved or transferred reliably from one area to another area of the interconnected transmission systems by way of all transmission lines (or paths) between those areas under specified system conditions.