



California ISO

Rules of Conduct Enhancements: Track 1 Draft Final Proposal Meeting

Stakeholder Meeting
August 9, 2023

Housekeeping reminders

- This call is being recorded for informational and convenience purposes only. Any related transcriptions should not be reprinted without ISO's permission.
- This meeting is intended to stimulate open dialogue and engage different perspectives.
- Please keep comments professional and respectful.
- You may also send your question via chat to either Brenda Corona or to all panelists.

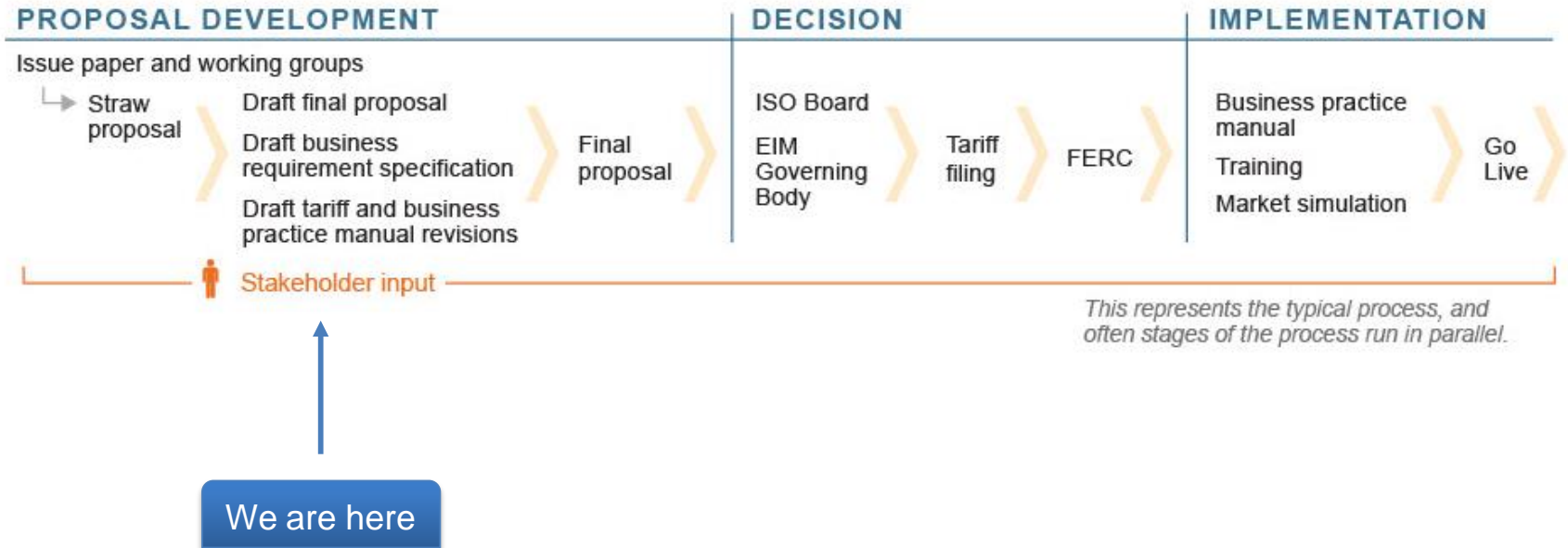
Instructions for WebEx

- 👋 The “raise hand” icon is located in the lower tool bar. You will hear a beep tone when you are un-muted; at that time please state your name, and question. Attendees dialed in on the phone only press #2 will hear a notification when you are un-muted; at that time please state your name and question.
- WebEx platform will **LOCK** and mute you if you mute yourself once you have finished your question. Do not mute yourself until you have completed your question or comment.

Today's Agenda

Time	Topic	Presenter
1:00 – 1:05	Welcome & today's agenda	Brenda Corona
1:05 – 1:15	Background on Track 1 (T1) Draft Final Proposal (DFP)	Dinesh Das Gupta
1:15 – 2:25	T1 Draft Final Proposal, Q&A	Dinesh Das Gupta
2:25 – 2:30	Next steps	Brenda Corona

ISO Policy Initiative Stakeholder Process



- Draft final proposal was posted Aug 2, 2023

Background on Track 1 (T1) Draft Final Proposal (DFP)

Background on T1 DFP

Track 1 Timeline*

Milestone	Time
Stakeholder workshop: scope and tracks	June 7, 2023 (9-12pm)
Stakeholder comments due	June 20, 2023
Straw proposal posted	July 6, 2023
Stakeholder meeting on straw proposal	July 13, 2023 (9-12pm)
Stakeholder comments due	July 20, 2023
Draft final proposal posted	August 2, 2023
Stakeholder call on draft final proposal	August 9, 2023 (1-3pm)
Stakeholder comments due	August 15, 2023
Joint WEIM Governing Body & ISO Board of Governors meeting	September 20, 2023

**All dates are tentative until confirmed through a notice in the ISO's Daily Briefing.*

Background on T1 DFP

Topic Summary

- Planned Track 2 launch: late September*

Track 1	<ul style="list-style-type: none">• Meter data penalties• Eliminate annual penalty distribution filing• Clarify eligibility for penalty distribution• Clarify application of market adjustment provision in context of WEIM entities
Track 2	<ul style="list-style-type: none">• Define information submission requirements subject to penalty with specificity• Update penalty tolling eligibility to create a clear pathway for SC to invoke the provision• Streamline rules of conduct investigative process• Late forced outage reporting• Define submission requirements and penalty structure for DR customer load baseline monitoring data

**All dates are tentative until confirmed through a notice in the ISO's Daily Briefing.*

Questions

The DFP continues to propose:

- Removing the FERC approval requirement before the annual penalty distribution
 - Post informational report on ISO website including the same data as the public filing currently provides
- In addition to entities with penalties, entities exempt from penalties due to sovereign immunity or a penalty waiver are ineligible for that year's penalty distribution by default
- For a meter data penalty not processed through the settlement system, no market adjustment will be applied if there are no additional scheduling coordinator IDs in the utility distribution company (UDC) area

The DFP proposes maintaining late/missing meter data penalties for resources with expected energy

- **New:** Non-submittal of meter data will be penalized only when a resource has non-zero Total Expected Energy
 - Modifies Tariff Section 10.3.6
- “Late” meter data (post T+52B):
 - Hold penalty at \$1000/trading day
- “Missing” meter data (post T+214B):
 - Hold penalty at additional \$3000/trading day
- Notice: Extend internal T+44B pre-deadline automatic notice for missing meter data to scheduling coordinators.

The DFP proposes modifying the inaccurate meter data penalty methodology, with clarifications.

- Inaccurate meter data (post T+52B) penalty proposal:
 - Lower of: (a) 30% of the approx. error value; or (b) \$1,000/trading day.
 - \$10 hourly minimum LMP when calculating error value; introduced at July 13 Straw Proposal meeting
 - **New:** WEIM entities may have linked generator and load meter data. Error value calculation applies to only inaccurate generator meter data, and not to directly corresponding inaccurate load meter data.
- Current: inaccurate meter data submissions are penalized \$1,000/trading day.

Questions

Open Discussion

Next Steps

Next steps

- Straw proposal comments are due by 5:00 pm, **August 15, 2023.**
- Upcoming milestones:
 - 9/20/23: Joint WEIM Governing Body & ISO Board of Governors meeting presentation

**All dates are tentative until confirmed through a notice in the ISO's Daily Briefing.*

For reference

- Visit initiative webpage for more information:
<https://stakeholdercenter.caiso.com/StakeholderInitiatives/Rules-of-conduct-enhancements>
- If you have any questions, please contact isostakeholderaffairs@caiso.com



- *Energy Matters* blog provides timely insights into ISO grid and market operations as well as other industry-related news
<http://www.caiso.com/about/Pages/Blog/default.aspx>.

Read a recent article featured in the blog:



July 24, 2023
Transmission

A big step forward on transmission infrastructure

By Deb Le Vine, Director, Infrastructure Contracts & Management

As anyone in the electricity business knows, planning, siting, permitting, financing and building transmission infrastructure is a complex, time-consuming and difficult process. Congress, the Federal Energy Regulatory Commission (FERC), state legislators and bulk electric system operators like the California ISO and others around the country ...

[READ MORE](#)

- Subscribe to [Energy Matters blog monthly summary](#)

EXTENDED DAY-AHEAD MARKET FORUM

August 30, 2023 • 8:30 a.m. - 4:30 p.m.

Las Vegas Hilton at Resorts World

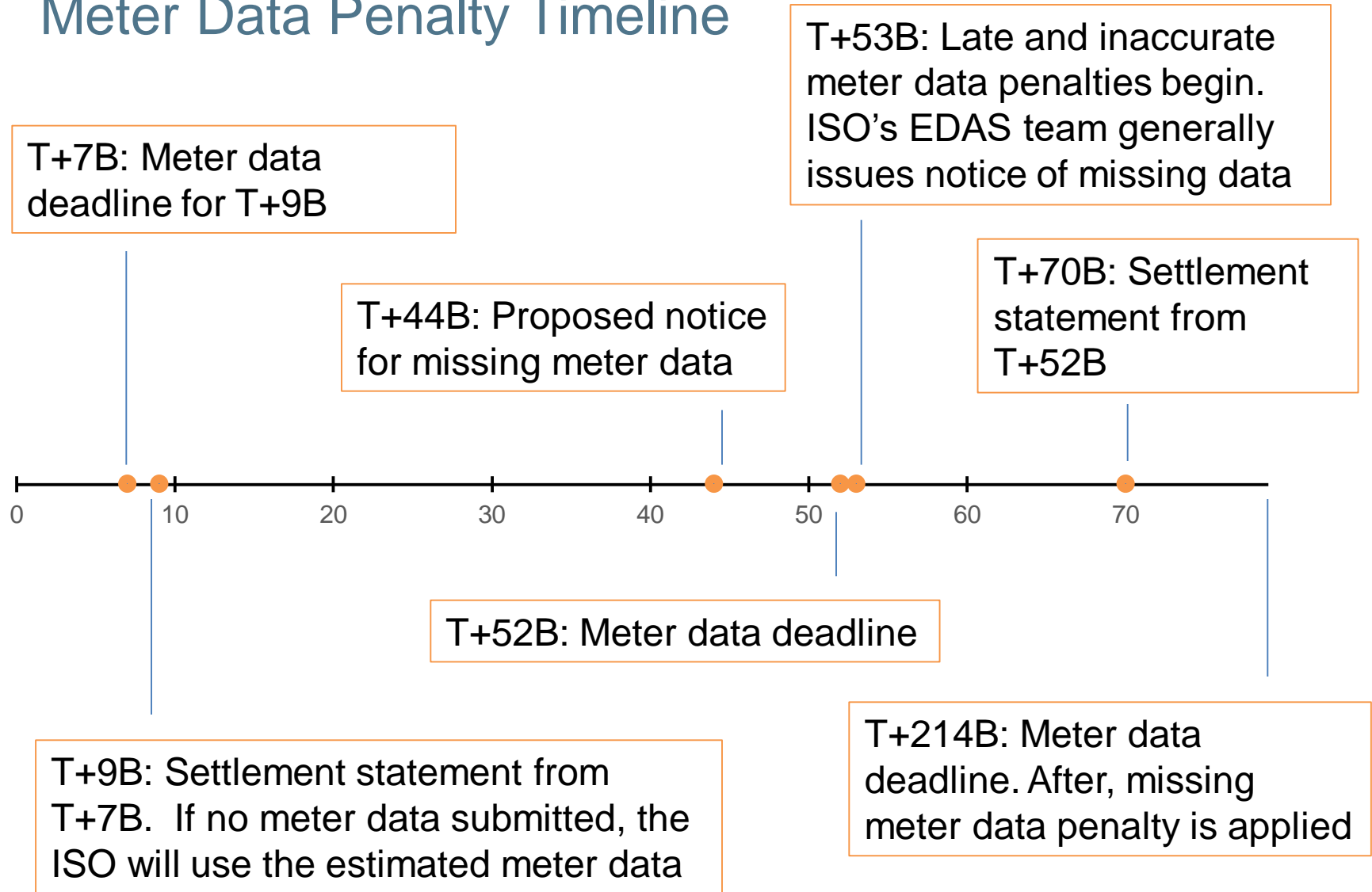
Free event



- Co-hosting the Extended Day-Ahead Market (EDAM) Forum on Aug. 30, 2023, at the [Las Vegas Hilton at Resorts World](#), in Las Vegas, Nevada.
- More information: [California ISO - Extended Day-Ahead Market Forum \(caiso.com\)](#)
- Register today!

Appendix: Meter Data Penalty Timeline and Examples

Meter Data Penalty Timeline



Inaccurate Meter Data

Example 1a: Inaccurate Meter Data exists in Settlements at T+52B and corrected by T+214B

Gen A (BAID 3333) has inaccurate Meter Data for TD 1/1/2023

Original Gen A meter = 100 MW

Corrected Gen A meter = 99 MW

Average RTD LMP for 1/1/2023 = \$22.21

Current Penalty Amount: \$1,000

30% of Error Approximation: \$160

Proposed Penalty Amount: \$160

Proposed Penalty Amount is calculated as follows:

- $MDP = \text{Min}(|30\% \times \text{MWh difference}| \times$

Inaccurate Meter Data

Example 1b: Inaccurate Meter Data exists in Settlements at T+52B and corrected by T+214B

Gen A (BAID 3333) has inaccurate Meter Data for TD 1/1/2023

Original Gen A meter = 100 MW

Corrected Gen A meter = 50 MW

Average RTD LMP for 1/1/2023 = \$22.21

Current Penalty Amount: \$1,000

30% of Error Approximation: \$7,995

Proposed Penalty Amount: \$1,000

Proposed Penalty Amount is calculated as follows:

- $MDP = \text{Min}(|30\% \times \text{MWh difference}| \times$

Inaccurate Meter Data

Example 1: Settlement impacts for Gen A from inaccurate meter data after T+52B and corrected by T+214B

- Corrected Meter Data quantity will automatically be included on T+11M Recalc Settlement Statement.
 - The difference between the revised Meter to TEE will be settled as Uninstructed Imbalance Energy in CC6475 and CC64750.
 - Other impacted charge codes are UFE Settlement in CC6474 and CC64740 and the respective allocation charge codes.
- Proposed penalty amount of \$160 (example 1a) /\$1,000 (example 1b) will be charged to Gen A
 - in CC1591 through a PTB (pass through bill)
 - held in an interest bearing escrow account until following year
 - allocated to eligible Market Participants through their SCs in CC1592
- No market adjustment applicable

Inaccurate Meter Data

Example 2: Inaccurate Meter Data exists in Settlements after T+214B

Gen A (BAID 3333) has inaccurate Meter Data for TD 1/1/2023

Original Gen A Meter = 100 MW

Revised Gen A Meter = 99 MW

Average RTD LMP for 1/1/2023 = \$22.21

Current Penalty Amount: \$1,000

30% of Error Approximation: \$160

Proposed Penalty Amount: \$160

Proposed Penalty Amount is calculated as follows:

- $MDP = \text{Min}(|30\% \times \text{MWh difference}| \times$

Inaccurate Meter Data

Example 2: Settlement impacts for Gen A from inaccurate meter data after T+214B

- Corrected Meter Data cannot be submitted in MRI-S after T+214B.
 - CAISO will provide the Meter Data Template. SC provides corrected Meter Data in hourly values for each resource and trade date.
- Proposed penalty of \$160 will be charged to Gen A (BAID 3333)
 - in CC1591 through a PTB (pass through bill)
 - held in an interest bearing escrow account until the following year
 - allocated to eligible Market Participants through their SCs in CC1592
- Market Adjustment of \$533 will be charged to Gen A (BAID 3333)
 - in CC1593 through a PTB
 - allocated to BAIDs who paid UFE in the UDC impacted by the Meter Data inaccuracy for the event trade dates, to make the market whole.

Inaccurate Meter Data

Example 2: Market adjustment allocation details

Market Adjustment of \$533 will be allocated back to the SC's under the respective UDC based on the pro-rata share of UFE paid during the event trade dates.

BAID	UFE	Percentage	Allocation
1111	\$7,301	25.74%	\$ 137.17
2222	\$1,365	4.81%	\$ 25.65
3333	\$1,128	3.98%	\$ 21.19
4444	\$9,395	33.12%	\$ 176.52
5555	\$9,180	32.36%	\$ 172.47
Total	\$ 28,369.00	100%	\$ 533.00

WEIM Market Adjustment

Example 3: WEIM entity Inaccurate Gen Meter Data exists in Settlements after T+214B

PRSC (BAID is 8888) and EESC (BAID is 9999)
PRSC is the participating SC, EESC is the entity SC

BAID 8888 over reports Gen for 1 Trade Date (same 24 MWs).

Current Penalty Amount: \$1,000 charged to BAID 8888

Proposed Penalty Amount: \$160 charged to BAID 8888

Current Market Adjustment Amount: \$533 from BAID 8888 to BAID 9999

Proposed Market Adjustment Amount: \$533 from BAID 8888 to BAID 9999

UFE Amount is allocated to EESC. In this case, BAID for the over-reported Gen and the BAID which paid UFE amount are different. No change to Market Adjustment allocation.

BAID	UFE	Percentage	Allocation
9999	\$7,470	100%	\$533
Total	\$7,470	100%	\$533

WEIM Market Adjustment

Example 4: WEIM Entity Inaccurate Load Meter Data exists in Settlements after T+214B

BAID 9999 under reports Load for 1 Trade Date (same 24 MWs).

Current Penalty Amount: \$1,000 charged to BAID 9999

Proposed Penalty Amount: \$160 charged to BAID 9999

Current Market Adjustment Amount: \$533 charged & allocated to 9999

Proposed Market Adjustment Amount: \$0

Load belongs to EESC and UFE Amount is allocated to EESC. Since the BAID associated to the inaccurate Meter Data, and the BAID which paid the UFE amount are the same (\$0 market adjustment), proposal is to not go through the manual processing in this scenario.

BAID	UFE	Percentage	Allocation
9999	\$7,470	100%	\$533
Total	\$7,470	100%	\$533