



Transmission Service and Market Scheduling Priorities – Stakeholder Meeting

Draft Final Proposal

December 20, 2021

Agenda

Time:	Topic:	Presenter:
1:00 – 1:05	Welcome and Introduction	Kristina Osborne
1:10 – 2:10	Draft Final Proposal - Phase 1	Milos Bosanac
2:10 – 2:40	Informational Update - Phase 2	Milos Bosanac
2:40 – 3:50	Draft Tariff Language Overview	Anthony Ivancovich
3:50 – 4:00	Next Steps	Kristina Osborne



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Phase 1 – Draft final Proposal

Wheeling Through Priorities Framework

- **Proposal:** Extend interim wheeling through priorities framework approved by FERC through June 1, 2024.
 - Through summer 2022 and summer 2023.
- Retains ability to establish wheeling through priority, equal to ISO load, by meeting criteria 45 days ahead of the month.
 - Requires contract to serve load + firm transmission to the ISO border, for the month, at time of registration of wheel through.
- Retains post-Hour Ahead Scheduling Process (HASP) process for effectuating priorities and allocating limited transmission capability in stressed system conditions.

Wheeling Through Priorities Framework

- Balances the need to provide certainty of rules for wheeling through CAISO system to support contracting, with continued protections for native load (compared to prior framework).
- Extension of the framework provides certainty of rules and requirements for establishing priority to wheel across CAISO's system.
 - Supports planning and contracting for ahead of summer.
- Allows for focus on Phase 2 of initiative and development of transmission reservation process for establishing scheduling priority.
 - Provides additional time for implementation of transmission reservation framework depending on complexity.

High Priority (PT) Exports – SIBR Enhancements

- Enhancements in SIBR tool to provide added transparency for supporting resource and PT exports.
 1. Generating resources will have ability to view instantaneous non-RA capacity.
 2. Notification to exporting scheduling coordinators when sum of PT export schedules exceeds non-RA capacity.
- Enhancements provide additional information to facilitate communication between parties and ensure sum of PT export schedules does not exceed non-RA capacity of supporting resource.

Tariff Clarification – VERs Supporting PT Exports

- Tariff clarification that PT exports supported by Variable Energy Resources (VER) must have sufficient capacity to support PT export for the full hour based on the latest forecast prior to Real-Time market close.
- Tariff requires that supporting resources have sufficient capacity to support the export throughout the entire hour.
 - Current tariff provides that for VERs, requirement can be met if can support the export for entire hour “at the time of bid submission.”
 - Scheduling coordinators can submit RT bids as early as close of DA market (hours ahead of operating hour) increasing risk that the forecast may overestimate the capacity available to support the export in real-time.
- Proposed tariff clarification sets expectation that ability of VER to support PT export is based on “most recent forecast” (rather than forecast at time of bid submission).
 - If forecast changes, expectation is that PT export schedule will be updated if necessary.

Proposed Transparency Enhancements

- *Publication of aggregate Priority Wheeling Through (PT wheel) registration data – Completed.*
 - Provides transparency into registrations at tie points.
- *Publication of aggregate RA import data at tie points.*
 - Historical data – **Completed.**
 - Going forward data – in progress.
- *Publication of Residual Unit Commitment (RUC) load forecast adjustments on OASIS.*
 - Requires system enhancements (in progress).
- *Publication of curtailment data on OASIS.*
 - Captures curtailments of high priority/low priority transactions, transactions serving ISO load.
 - Requires system enhancements (in progress).

Phase 1 – Upcoming Milestones

- 1.7.2022 – Comments on draft final proposal.
- 1.14.22 – Stakeholder call draft tariff language review.
- 1.20.2022 – Presentation at special session of ISO Board of Governors and EIM Governing Body meeting.
 - EIM Governing Body (advisory)
- FERC filing – January 2022, following ISO Board of Governors decision.
- Implementation of enhancements – by June 2022.



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Phase 2 – Informational Update

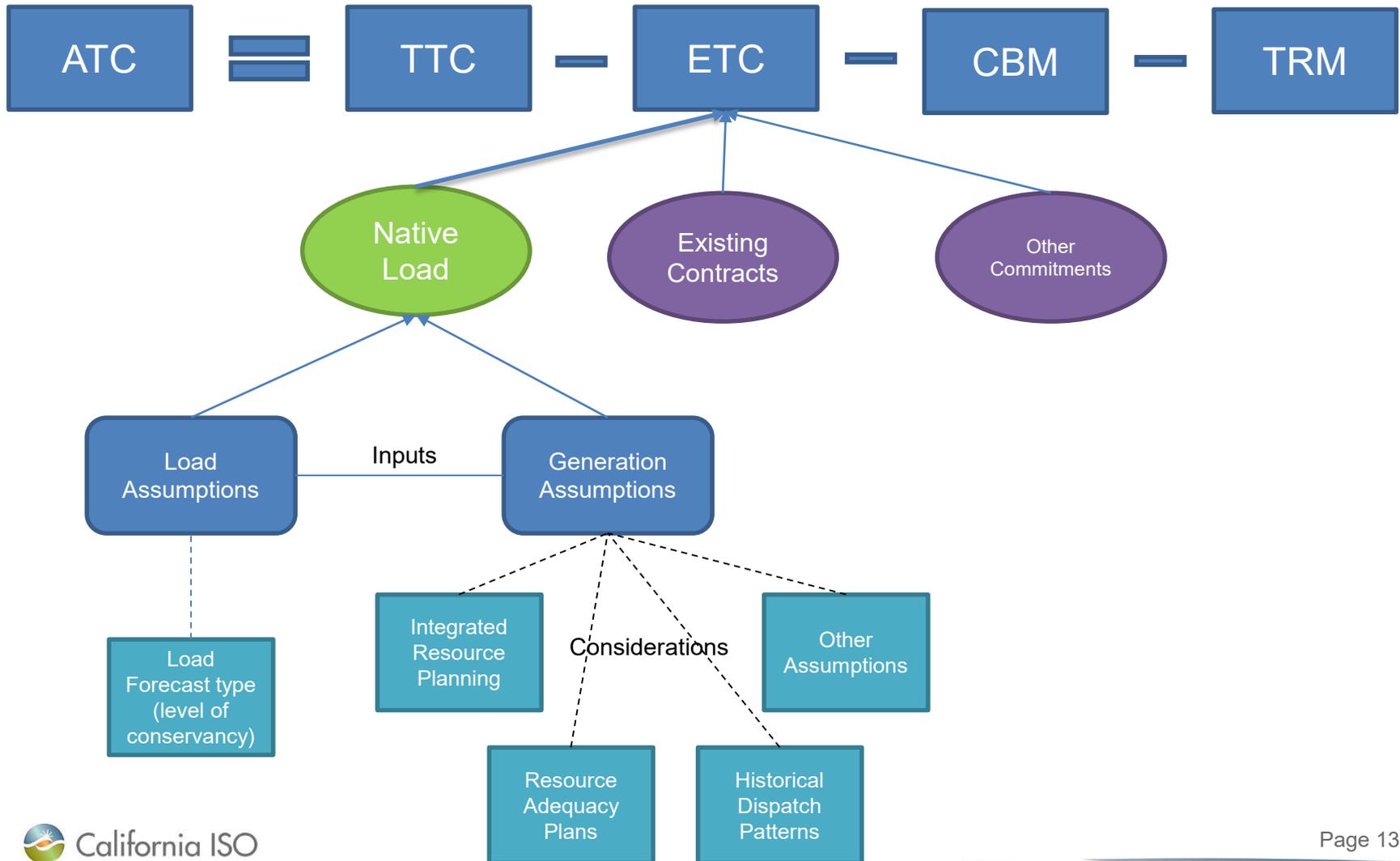
Stakeholder Working Groups

- Phase 2 focuses on development of a transmission service reservation process for establishing scheduling priority across the ISO system to facilitate wheeling through the system.
- ISO introduced stakeholder working groups to learn from practices across the west, consider other ideas or proposals, and inform development of ISO proposal.
- **WG 1** – Calculation of ATC and Native Load Needs
– (launched in November)
- **WG 2** – Transmission Products & Reservation Process
- **WG 3** – Studying Long-Term Request and Identifying Transmission Upgrades

Working Group 1 – ATC & Native Load

- We learned about the practices of Idaho Power Company, BPA and SRP.
 - Practices are largely consistent with each other and similar to practices of other ISOs/RTOs that have a transmission reservation process.
- Transmission capacity can be set aside for native load needs (or network load) as an existing transmission commitment.
 - The amount of transmission set aside is dependent upon load and generation assumptions.
- Transmission can also be set aside for uncertainty and reliability margins, to ensure reliable operation of grid.
 - Capacity Benefit Margin (CBM)
 - Transmission Reliability Margin (TRM)

Calculating Native Load & ATC – CAISO Considerations



Key Elements of a Transmission Reservation Process

- Deriving the ATC that is available for reservation across different time horizons (long-term/short-term).
 - Requires deriving native load needs and consideration of CBM and TRM.
- Identifying the transmission product(s) and qualities.
 - A “firm point to point” product available to support wheeling through reservations?
 - Is there a non-firm transmission product or offers without pre-arranged transmission have lower priority?
 - Timeframes across which product(s) available.
 - Other qualities: CRR allocation? Resale?
- Transmission studies and expansion.
 - Ability to drive transmission upgrades (if necessary) for wheeling through ISO system and establishing high scheduling priority.
- Rate treatment based on the transmission product(s) in place.

Phase 2 - Timeline

Date:	Activity:
Week of Apr 25	Post straw proposal
Week of June 20	Post revised straw proposal
Week of Aug 22	Post revised straw proposal
Week of Oct 10	Post Draft Final Proposal
Week of Nov 21	Post final proposal
Dec 14-15	Joint ISO Board and EIM Governing Body meeting
Late Dec	FERC filing
By June 2024	Implementation



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Draft Tariff Language Review

Next Steps

- Written comments on the draft final proposal and draft tariff language are due by end of day Jan. 7, 2022
 - Please use the template on the initiative webpage to submit comments:
<https://stakeholdercenter.caiso.com/StakeholderInitiatives/Transmission-service-and-market-scheduling-priorities>
- Special session of Board of Governors meeting on January 20, 2022, for decision on Phase 1 proposal.
- Phase 2 - Working groups 2 and 3 meetings will commence in January 2022.