



CRR Auction Efficiency – Track 1B

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Stakeholder conference call

September 27, 2018

Background

- CAISO filed two CRR proposals with FERC on July 17, 2018 (ER18-2034).
- FERC accepted the reduction of system capacity released in the annual allocation and auction process.
- FERC rejected the revenue insufficiency scaling proposal without prejudice to the CAISO refiling a proposal that allows CRR holders to net prevailing and counter flow CRRs against each other.

Discussion

- The CAISO will file a narrow change to its revenue insufficiency scaling proposal with FERC next week.
- When scaling CRRs to the available transmission in the day-ahead market, the CAISO will scale each market participant's net modeled flow on each constraint.

Discussion

- Previous proposal (July 17, 2018):

$$CRRMW_{p,Q} \Rightarrow CRRMW_{p,q,k,m,t} \Rightarrow$$

CRR 1B CALCULATIONS

where,

- p* CRR holder
- Q* set of all CRRs owned by CRR holder
- q* index of individual CRRs in *Q*
- k* contingency case
- m* monitored element
- t* time period (hour)

Discussion

- Updated proposal to file next week:

$$CRRMW_{p,Q} \Rightarrow CRRMW_{p,q,k,m,t} \Rightarrow \mathbf{CRRMW_{p,k,m,t}} \Rightarrow \text{CRR 1B CALCULATIONS}$$

where,

- p CRR holder
- Q set of all CRRs owned by CRR holder
- q index of individual CRRs in Q
- k contingency case
- m monitored element
- t time period (hour)

- All CRR 1B calculations will be updated to consider $CRRMW_{p,k,m,t}$ rather than $CRRMW_{p,q,k,m,t}$