

# External Resource Participation Concepts

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FOR DISCUSSION

11/29/16

# Purpose

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- Outline concepts for external resource participation related to administrative and operational impacts to EIM Entities
- Intended to help clarify why external resources and EIM entities may view the administrative and operational impacts differently
- Concepts are provided for discussion and would need further development if pursued for implementation
- Not intended to be a full discussion of all aspects of external resource participation

# Assumptions not explored in this presentation

The following are assumed elements of an external resource's participation in the EIM:

- Demonstration of no leaning on EIM for capacity needs
- Application of measures to address market power mitigation
- Resource specific participation with ability to aggregate where flow impact is similar
- Ability to donate transmission to the EIM
- Requirement to have transmission to the EIM – should be worked out with 3rd party transmission provider
- Pay appropriate administrative costs
- Fair transmission compensation

# Assumptions explored in this presentation

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**External resource bids and schedules could be treated similar to EIM Participating Resource bids and schedules and minimize administrative or operational impact to the EIM Entity.**

- External resources submit bids directly to the CAISO and are not part of EIM Entity Resource Sufficiency or prior to the hour operations
- External resource schedules are rolled up through a gen/load aggregation point or “hub” created for each non-EIM Entity BA, providing a single net schedule to the EIM Entity
- Through agreement with the participating external resource, the Host BA assures delivery of energy to the sink EIM Entity BA, consistent with ISO terms, if external resource does not perform

# Prior to the Hour/Bidding

CAISO

## EIM Entity

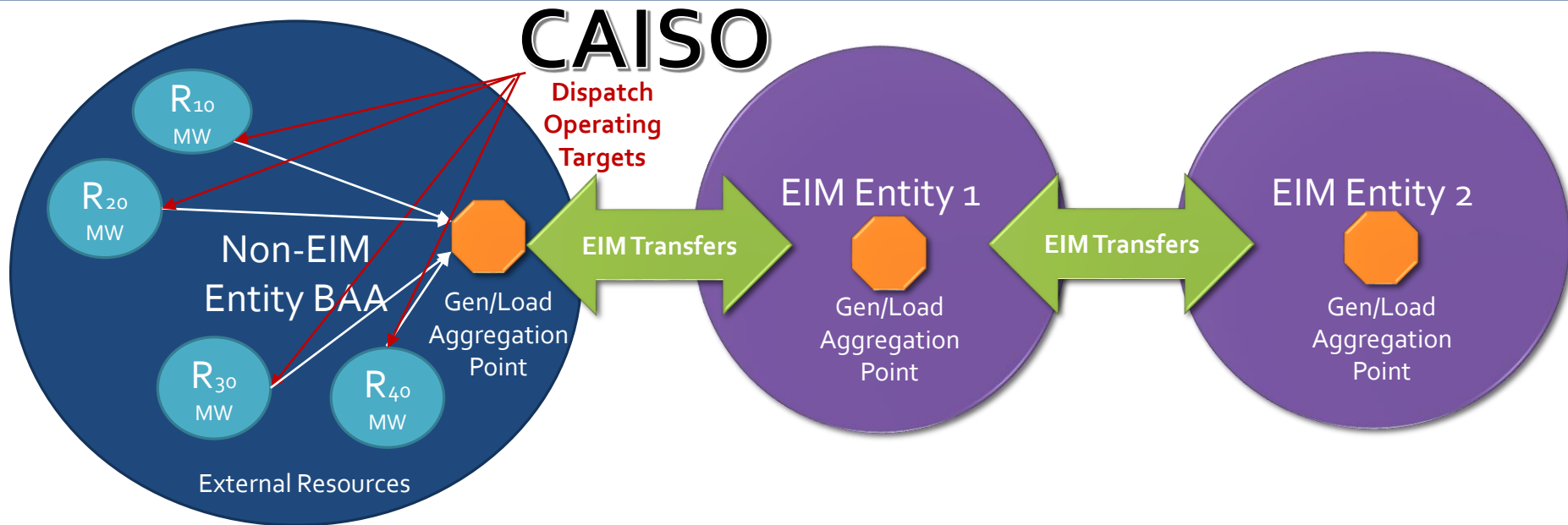
- t-75 min: base schedules, EIM Participating Resource bids and 1<sup>st</sup> RS test
- t-55 min: updated base schedules and 2<sup>nd</sup> RS test
- t-40 min: financially binding base schedules
- t-22.5 min: FMM results & tags adjusted
- t-5 min: RTD results

## External Resource in Non-EIM Entity BA

- t-75 min: bid submitted to CAISO and demonstration of no leaning
- t-22.5 min: FMM results & tags adjusted
- t-5 min: RTD results

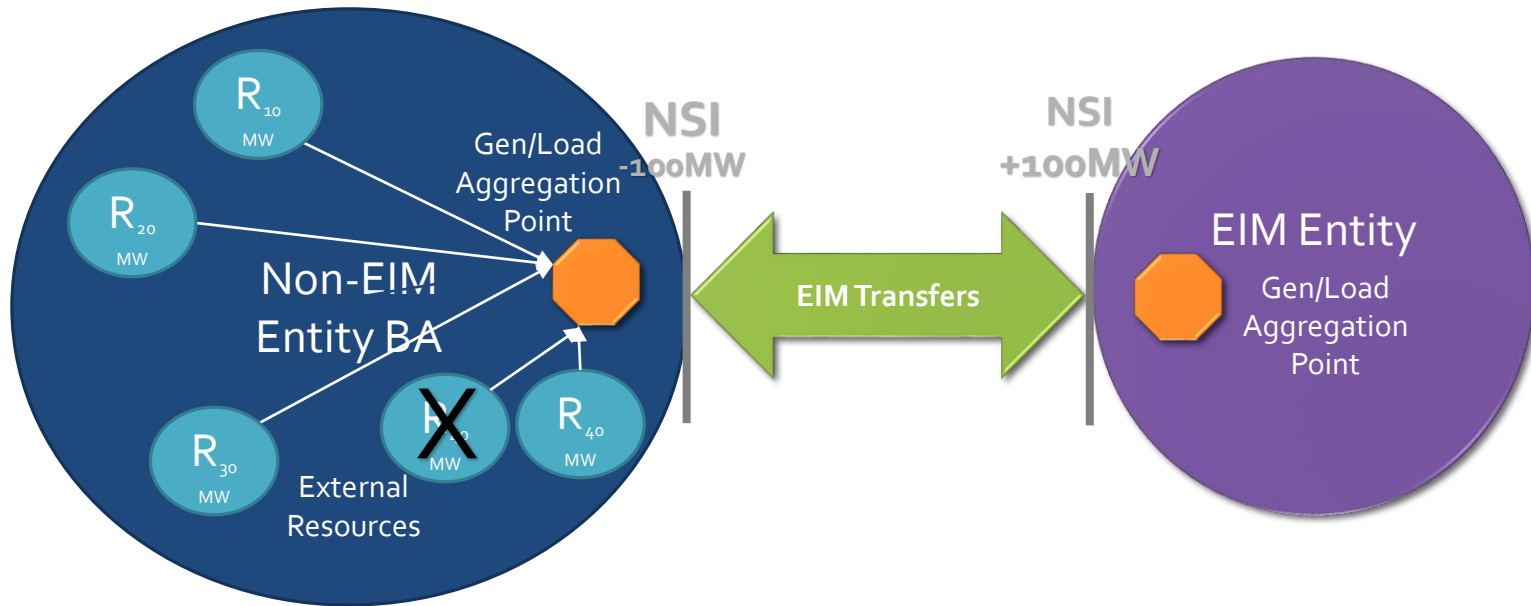
- External resource bid is not included in any EIM BAA Resource Sufficiency evaluation or base schedule set up
- External resource bid is submitted directly to CAISO and included in the SCED optimization

# Within Hour Operations – Dispatch and Schedules



- Each external resource will receive a dispatch operating target from the CAISO, similar to an EIM Participating Resource
- Non-EIM source BAs could explore the creation of a “hub” that receives all of the EIM participating external resource schedules and sends a net schedule to the EIM Entity, similar to how an EIM Entity schedules its EIM transfers.
- The scheduling hub does not represent the physical location of the resources but rather facilitates the accounting of energy and transmission to allow for minimal impact to each EIM Entity.
- This would relieve the burden of receiving multiple e-tags from multiple external resources.

# Within Hour Operations – Non-Performance



- External Resources will be required to demonstrate they are not leaning on the EIM for capacity.
- If an external resource does not perform, the host BA is responsible for ensuring the energy is delivered to the sink EIM Entity BA.
- The process for contingency and curtailment events would be the same as it is for bi-lateral transactions and transfers received from other EIM Entities.

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## **CONTACT INFORMATION**

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