

Market Participant Guide: SPP 2020 Congestion Hedging

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Revision History Chart

Version	Revised By	Description of Modifications	Revision Date
1.0	Congestion Hedging Team	New Procedure Document for 2018 TCR Process; Team reviewed; Manager review by Ty Mitchell	12/15/2017
1.1	Congestion Hedging Team	Updated Procedure Document for 2019 TCR Process; Team reviewed; Manager review by Ty Mitchell	12/14/2018
1.2	Congestion Hedging Team	Updated Procedure Document for 2020 TCR Process; Team reviewed; Manager review by Micha Bailey	12/13/2019

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Overview

Objectives

This document is intended for Southwest Power Pool (SPP) Market Participants (MPs) and provides information for preparation of the Integrated Marketplace's 2020 Congestion Hedging (also known as "TCR") activities.

2020 Schedule

Remaining 2019 Annual Process Schedule

The Monthly ARR Allocation and Monthly TCR Auction processes for the remainder of the 2019 Annual Process shall include:

- (1) January, February, March, April, and May periods
- (2) On-Peak and Off-Peak products
- (3) January, February, March, April, and May 1-round ARR Allocation: 100% system capacity
- (4) January, February, March, April, and May 2-round TCR Auction:
 - a. Round 1: 50% system capacity
 - b. Round 2: 100% system capacity

The remaining 2019 production schedule through May 31, 2020 shall be as follows:

- (1) January 2020 Monthly Process
 - (a) ARR Allocation: 11/22/2019 – 12/11/2019
 - (b) TCR Auction: 12/12/2019 – 12/27/2019
- (2) February 2020 Monthly Process
 - (a) ARR Allocation: 12/26/2019 – 1/13/2020
 - (b) TCR Auction: 1/14/2020 – 1/28/2020
- (3) March 2020 Monthly Process
 - (a) ARR Allocation: 1/24/2020 – 2/11/2020
 - (b) TCR Auction: 2/12/2020 – 2/25/2020
- (4) April 2020 Monthly Process
 - (a) ARR Allocation: 2/27/2020 – 3/12/2020
 - (b) TCR Auction: 3/13/2020 – 3/26/2020
- (5) May 2020 Monthly Process
 - (a) ARR Allocation: 3/27/2020 – 4/10/2020
 - (b) TCR Auction: 4/13/2020 – 4/24/2020

Remaining 2019 Process Detail Calendar

December 2019						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

January 2020						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

February 2020						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29

March 2020						
Su	Mo	Tu	We	Th	Fr	Sa
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

April 2020						
Su	Mo	Tu	We	Th	Fr	Sa
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

Legend	
	cARR Verification
	Nomination Window
	Post ARR
	Bid Window
	Bid Window / cARR Verification
	Post TCR
	Post model
	TCR Post / cARR Verification
	Holiday & Weekend
	Annual Verification (LTCR & ARR)
	LTCR Allocation Round 1
	LTCR Allocation Round 2
	Post LTCR
	Deadline for outage submittal
	Bank Holiday (Non-SPP)

2020 Annual Process Schedule

The **Annual LTCR Allocation** process shall include:

- (1) One 24-hour annual product representing June 1, 2020 - May 31, 2021
- (2) Two rounds:
 - a. Round 1: Renew/release previous LTCR/ILTCR awards
 - b. Round 2: Nomination of candidate LTCR/ILTCR paths
 - i. Awards of Round 2 based on 50% system capacity

The **Annual ARR Allocation** and **TCR Auction** processes shall include:

- (1) June, July, August, September, Fall, Winter, and Spring periods
 - a. June: Awards given at 100% system capacity
 - b. July, August, and September: Awards given at 90% system capacity
 - c. Fall, Winter, and Spring: Awards given at 60% system capacity
- (2) On-Peak and Off-Peak products for each period
- (3) Three-round ARR Allocation:
 - a. Round 1: 50% of nomination cap available on candidate ARR paths
 - b. Round 2: 100% of nomination cap available on candidate ARR paths
 - c. Round 3: 100% of nomination cap available on any path
- (4) One-round TCR Auction

The **Monthly ARR Allocation** and **TCR Auction** processes shall include:


- (1) Products for the period of the following month
 - e.g. Process executed in March, offers April ARRs and TCRs
- (2) On-Peak and Off-Peak products
- (3) One-round ARR Allocation at 100% system capacity
- (4) For the products of July, August, and September, a one-round TCR Auction at 100% system capacity
- (5) For the products of October through May, a two-round TCR Auction:
 - a. Round 1: 50% system capacity
 - b. Round 2: 100% system capacity

The production schedule for the 2020 Congestion Hedging markets shall be as follows:

- (1) Annual Candidate ARR/LTCR Verification: 2/3/2020 – 2/17/2020
- (2) Annual LTCR Allocation Round 1: 3/4/2020 – 3/9/2020
- (3) Annual LTCR Allocation Round 2: 3/10/2020 – 3/20/2020
- (4) Annual ARR Allocation Round 1: 4/3/2020 – 4/10/2020
- (5) Annual ARR Allocation Round 2: 4/13/2020 – 4/20/2020
- (6) Annual ARR Allocation Round 3: 4/21/2020 – 4/28/2020
- (7) Annual 1-round TCR Auction: 5/6/2020 – 5/20/2020
- (8) Monthly ARR Allocations and TCR Auctions
 - (a) July 2020 Monthly Process
 - a. ARR Allocation: 5/29/2020 – 6/12/2020
 - b. TCR Auction: 6/15/2020 – 6/19/2020
 - (b) August 2020 Monthly Process
 - a. ARR Allocation: 6/26/2020 – 7/13/2020
 - b. TCR Auction: 7/14/2020 – 7/20/2020
 - (c) September 2020 Monthly Process
 - a. ARR Allocation: 7/30/2020 – 8/13/2020
 - b. TCR Auction: 8/14/2020 – 8/20/2020

- (d) October 2020 Monthly Process
 - a. ARR Allocation: 8/26/2020 – 9/10/2020
 - b. TCR Auction Round 1: 9/11/2020 – 9/17/2020
 - c. TCR Auction Round 2: 9/18/2020 – 9/24/2020
- (e) November 2020 Monthly Process
 - a. ARR Allocation: 9/25/2020 – 10/09/2020
 - b. TCR Auction Round 1: 10/13/2020 – 10/19/2020
 - c. TCR Auction Round 2: 10/20/2020 – 10/26/2020
- (f) December 2020 Monthly Process
 - a. ARR Allocation: 10/28/2020 – 11/11/2020
 - b. TCR Auction Round 1: 11/12/2020 – 11/18/2020
 - c. TCR Auction Round 2: 11/19/2020 – 11/25/2020
- (g) January 2021 Monthly Process
 - a. ARR Allocation: 11/24/2020 – 12/10/2020
 - b. TCR Auction Round 1: 12/11/2020 – 12/17/2020
 - c. TCR Auction Round 2: 12/18/2020 – 12/28/2020
- (h) February 2021 Monthly Process
 - a. ARR Allocation: 12/29/2020 – 1/13/2021
 - b. TCR Auction Round 1: 1/14/2021 – 1/21/2021
 - c. TCR Auction Round 2: 1/22/2021 – 1/28/2021
- (i) March 2021 Monthly Process
 - a. ARR Allocation: 1/28/2021 – 2/11/2021
 - b. TCR Auction Round 1: 2/12/2021 – 2/19/2021
 - c. TCR Auction Round 2: 2/22/2021 – 2/26/2021
- (j) April 2021 Monthly Process
 - a. ARR Allocation: 2/25/2021 – 3/11/2021
 - b. TCR Auction Round 1: 3/12/2021 – 3/18/2021
 - c. TCR Auction Round 2: 3/19/2021 – 3/25/2021
- (k) May 2021 Monthly Process
 - a. ARR Allocation: 3/26/2021 – 4/9/2021
 - b. TCR Auction Round 1: 4/12/2021 – 4/16/2021
 - c. TCR Auction Round 1: 4/19/2021 – 4/23/2021

2020 Process Detail Calendar

2020 Annual Process																												
February 2020							March 2020							April 2020							May 2020							
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	
						1	1	2	3	4	5	6	7	5	6	7	8	9	10	11	3	4	5	6	7	8	9	
2	3	4	5	6	7	8	8	9	10	11	12	13	14	12	13	14	15	16	17	18	10	11	12	13	14	15	16	
9	10	11	12	13	14	15	15	16	17	18	19	20	21	19	20	21	22	23	24	25	17	18	19	20	21	22	23	
16	17	18	19	20	21	22	22	23	24	25	26	27	28	26	27	28	29	30			24	25	26	27	28	29	30	
23	24	25	26	27	28	29	29	30	31													31						
June 2020							July 2020							August 2020							September 2020							
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	
			1	2	3	4				1	2	3	4							1				1	2	3	4	5
7	8	9	10	11	12	13	5	6	7	8	9	10	11	2	3	4	5	6	7	8	6	7	8	9	10	11	12	
14	15	16	17	18	19	20	12	13	14	15	16	17	18	9	10	11	12	13	14	15	13	14	15	16	17	18	19	
21	22	23	24	25	26	27	19	20	21	22	23	24	25	16	17	18	19	20	21	22	20	21	22	23	24	25	26	
28	29	30					26	27	28	29	30	31		23	24	25	26	27	28	29	27	28	29	30				
														30	31													
October 2020							November 2020							December 2020							January 2021							
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	
					1	2	3	1	2	3	4	5	6	7			1	2	3	4	5						1	2
4	5	6	7	8	9	10	8	9	10	11	12	13	14	6	7	8	9	10	11	12	3	4	5	6	7	8	9	
11	12	13	14	15	16	17	15	16	17	18	19	20	21	13	14	15	16	17	18	19	10	11	12	13	14	15	16	
18	19	20	21	22	23	24	22	23	24	25	26	27	28	20	21	22	23	24	25	26	17	18	19	20	21	22	23	
25	26	27	28	29	30	31	29	30						27	28	29	30	31			24	25	26	27	28	29	30	
																					31							
February 2021							March 2021							April 2021														
Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa								
		1	2	3	4	5	6	1	2	3	4	5	6	4	5	6	7	8	9	10								
7	8	9	10	11	12	13	7	8	9	10	11	12	13	11	12	13	14	15	16	17								
14	15	16	17	18	19	20	14	15	16	17	18	19	20	18	19	20	21	22	23	24								
21	22	23	24	25	26	27	21	22	23	24	25	26	27	25	26	27	28	29	30									
28							28	29	30	31																		

Legend	
	cARR Verification
	Nomination Window
	Post ARR
	Bid Window
	Bid Window / cARR Verification
	Post TCR
	Post model
	TCR Post / cARR Verification
	1 Holiday & Weekend
	Annual Verification (LTCR & ARR)
	LTCR Allocation Round 1
	LTCR Allocation Round 2
	Post LTCR
	Deadline for outage submittal
	Bank Holiday (Non-SPP)

Holidays	
Jan. 01	New Years Day
Jan. 20	MLK Day
Feb. 17	Presidents Day
May 25	Memorial Day
Jul. 3	Independence Day
Sep. 7	Labor Day
Oct. 12	Columbus Day
Nov. 11	Veterans Day Observed
Nov. 26	Thanksgiving Day
Nov. 27	Day After Thanksgiving
Dec. 24	Christmas Eve Observed
Dec. 25	Christmas Day Observed
Jan. 01	New Year's Day
Jan. 18	MLK Day
Feb. 15	Presidents Day

Incremental Long-Term Congestion Rights (ILTCR)

Candidates for ILTCRs must be requested during the study process for those entities that received Directly Assigned Upgrade Costs as described in Attachment Z1 of the Tariff. Upon receiving candidates, ad-hoc **Initial ILTCR Allocations** will be conducted (for only the involved parties) to award ILTCRs for the remainder of the TCR year. ILTCRs awarded in an Initial ILTCR Allocation must be nominated again in Round 2 of the following Annual LTCR Allocation. More information on ILTCRs and Initial ILTCR Allocations is available upon request.

Deadlines

Credit Posting

Financial Security needs to be received by the SPP Credit Department five (5) business days before the start of the corresponding TCR Auction Bid Window to allow time for processing and to apply funds to Market Participants respective accounts.

OASIS data

Any transmission service that a Market Participant would like to be included as a candidate ARR/LTCR for the appropriate ARR/LTCR allocation must be in OASIS by the day prior to start of the corresponding verification period.

GFA data

Any Grandfathered Agreements (GFAs) that have already been submitted will be maintained. Any additional GFAs a Market Participant would like to have included in an ARR/LTCR Allocation must be submitted at least two months before the start of the corresponding verification window so as to be approved when the verification window starts. Commercial model changes to accommodate the GFA must be implemented prior to the verification period. Reference Appendix E of the SPP Integrated Marketplace Protocols for commercial model registration deadlines.

Historic Peak Load

Market Participants with Network Integrated Transmission Service (NITS) should validate their historic peak load for the year 2019. This should be reported to SPP, as outlined in the Communications section of this document, by January 15, 2020. SPP will use this information to verify network nomination caps and overall nomination caps.

Any new Asset Owner (AO) with NITS must provide their past three years historic peak load values prior to becoming an effective AO. This information should be reported to SPP, as outlined in the Communications section of this document.

Outages

Transmission Owners that wish to have their outages included in a respective TCR market will need to have submitted or proposed the outage in CROW at least 10 business days before the **Allocation** model posting date. Proposed outages will only be used in the Congestion Hedging Market models.

Any outages submitted less than 10 business days before the model posting date may not be included in the appropriate TCR market(s). For any additional details on outages taken in the SPP congestion hedging process, see the [TCR Market Modeling Processes](#) document¹ posted on spp.org.

Market Timing Guidelines

Market Model Posting: By end of day on designated model posting date

Monthly Candidate ARR Posting: Before 9:00am (Central Prevailing Time) CPT on the day of market window

Annual Candidate ARR/LTCR Posting: Before 9:00am (Central Prevailing Time) CPT on the first day of market window

Market Window Open: 9:00am CPT; first day of market window

Market Window Close: 4:00pm CPT; last day of market window

Market Results Posting: By end of day of market posting

Communications

General Information and Inquiries

SPP will distribute information and general announcements related to the TCR Market to MPs through an optional notification service called “SPP Auction Revenue Right / Transmission Congestion Right”. Those who opt-in to the “SPP Auction Revenue Right / Transmission Congestion Right” distribution list service can receive notices and announcements about the opening, closing and posting of data surrounding TCR Markets. To participate in the “SPP Auction Revenue Right / Transmission Congestion Right” distribution list service, please navigate to SPP.ORG and create an account. When you create an account, you will have the option to request to be added to the “SPP Auction Revenue Right / Transmission Congestion Right” distribution list.

When submitting an inquiry, the Request Management System (RMS) is the quickest way for inquiries and concerns to be addressed by the Congestion Hedging group. Use the Quick Pick *Transmission Congestion Rights (TCR) Inquiry*.

Issue Reporting

Any immediate issues that are discovered should be reported to your Customer Relations Representative, via phone, email, or the [SPP Request Management System](#). SPP staff will

¹ [SPP.org > Markets & Operations > TCR Markets > TCR Reference Documents](#)

investigate the reported issue and respond with a resolution. Use the Quick Pick *Transmission Congestion Rights (TCR) Inquiry*.

Public Posting to the Marketplace Portal

SPP will post historical TCR market allocation and auction results on its [Marketplace Portal](#)². SPP will post the following information for allocations: MW award with Source to Sink path and Time of Use, Binding Constraints. SPP will post the following information for auctions: MW award with Market Participant name, Source to Sink path, Time of Use and nodal price, Binding Constraints.

Other Congestion Hedging Documents

There are other important documents that provide detailed information on key Congestion Hedging topics. Below are the links to these documents³:

Congestion Hedging Modeling Practices

For more details on SPP's Congestion Hedging modeling practices, see the [TCR Market Modeling Processes](#) document.

Congestion Hedging User Guides

For help in using the TCR portion of the Marketplace Portal, look into the [TCR MUI Job Aid](#) and the [SPP TCR MUI User Manual](#).

For help with the TCR MUI's API, see the [TCR API Specifications](#) files for guidance.

FAQ

To see the TCR-related frequently asked questions, use the [Congestion Hedging FAQs](#).

Related SPP Tariff

For the Congestion Hedging portion of the [SPP Tariff](#), see Attachment AE Section 7.

Related Market Protocols

For the Congestion Hedging portion of the [SPP Integrated Marketplace Protocols](#), see Section 5.

Integrated Marketplace Reference for MPs

Go to the [SPP Learning Center \(LMS\)](#) for additional training on ARRs, LTCRs, and TCRs.

² [SPP.org > Markets & Operations > Marketplace Portal > Public > Public TCR Market](#)

³ Several of these are found by navigating to [SPP.org > Markets & Operations > TCR Markets](#).

Electrically Equivalent Settlement Locations (EESL)

A list of EESL pairs is posted for each market and available on the TCR MUI: SPP Marketplace Portal > TCR Market > TCR MUI > Downloads > Public > Market. No bids are allowed between these Settlement Location pairs. Any bids on these pairs will be restricted from the applicable allocation or auction market.