



SIR77 TCR FUNDING

OCTOBER 28-29, 2021

*Helping our members work together to keep
the lights on... today and in the future.*



SouthwestPowerPool



SPPorg



southwest-power-pool

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- **Purpose – what will the initiative do for SPP**
 - Improve the value of TCRs in the congestion hedging market.
 - Ensure better alignment between network models used by the TCR auctions and the day-ahead market.
- **Potential Benefit – How is SPP improved by implementing this initiative**
 - Improved liquidity in the TCR auction.
 - Reduction of uplift to TCR holders due to insufficient funding from the day-ahead market.
- **Alignment with existing SIR**
 - SIR55 TCR Underfunding

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- **Potential Impact**
 - **Potential System / Process Impacts**
 - Outage coordination methodology process: **Low**
 - Modifications to TCR auctions: **Medium**
 - More frequent auctions closer to day-ahead market.
 - **Potential Complexity: High, Medium, Low**
 - Design: **Medium**
 - Implementation: **Medium**
 - **Potential Compliance Impacts**

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- **Potential Value Add**
 - SPP MMU ASOM Recommendation Alignment
 - Aligns with MMU 2020 Annual State of the Market Report recommendation.
 - Compliance value add

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- **SPP Comments**

- Staff support reviewing changes to improve Transmission Congestion Rights Funding. Potential solutions for study are:
 - Modify existing Congestion Hedging markets (ex: Keep LTCR Allocation and move to monthly markets)
 - Outage Coordination submittal rule changes
 - Review Parallel Flow assumptions
 - Enhance Temp Flowgate identification process
 - Review Network Model update timing requirements
 - Implementation of Temperature Adjusted Ratings in DAMKT