

# LTCR Liaison Meeting

August 1, 2014



# LONG-TERM CONGESTION RIGHTS (LTCR)

# LTCR Design

## Qualification

- Confirmed transmission service request for entire TCR year
- Has roll-over rights

## Duration

- For current TCR year
- Annual product
- Rolls over until service ends or LTCR opt-out

## Allocation

- Priority treatment for LSEs
- Awarded TCRs are “fixed flows”
- Allocation cap is 100%
- Allocated on 50% system capacity
- Capacity held for all candidate LTCRs
- Solve Option-style (i.e. no counter flow)

## Process Timing

- LTCR process occurs before annual Allocation
- Has two components – Surrender/Keep round and Incremental Selection round

## Optional Instrument

- Can be cancelled every year at beginning of LTCR process
- Not held after opt-out (“surrender”)

## Direct conversion

- LTCR directly converted to TCRs

# SPP Congestion Hedging Process Rights

- **Action Revenue Right (ARR):**
  - is allocated to market participants that have firm entitlements to SPP transmission service (including GFAs)
  - annually and monthly process
  - can be self converted into a Transmission Congestion Right
- **Transmission Congestion Right (TCR):**
  - is a right to hedge congestion from the day-ahead market
  - acquired in an annual or monthly auction
- **Long-Term Congestion Right (LTCR):**
  - is the right intended to comply with Order 681 by providing a full year TCR into perpetuity with continuous qualification

# Existing Processes with LTCR

## Annual and Long-Term Verification

- Validation and verification of transmission service entitlements
- Includes those eligible for LTCR

## LTCR Allocation

- LTCR Allocation determines LTCRs
- After completion, LTCR converts to 14 TCR products

## Annual Allocation

- LTCRs are fixed TCRs in Allocations
- Remaining cARRs available for annual process

## Annual Auction

- LTCR TCRs can be sold/purchased in auction
- All ARR follows annual auction process

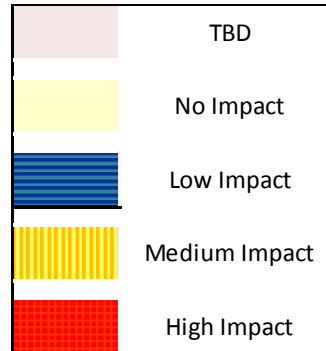
## Monthly ARR and TCR processes

- No change to monthly processes

# LTCR PROJECT OVERVIEW

# LTCR Project MP Impacts

Phase II Marketplace Projects	MP Type				MP Facing Systems										Business Process								
	Resource Owner	LSE	Financial ONLY	Meter Agent	MCST	CROW	MIMDD	Markets UI/API	EMS/ICCP	Market Notifications	TCR UI/API	Settlement UI/API	Settlement Notifications	Public Data	Outages	Credit	Day-Ahead Offers	Real-Time Offers	Operations	TCRs	Meter Agents	Settlements	Training
Long-Term Congestion Rights	Medium Impact	High Impact	Low Impact	Low Impact	No Impact	No Impact	No Impact	No Impact	No Impact	High Impact	No Impact	No Impact	No Impact	No Impact	No Impact	Medium Impact	No Impact	No Impact	No Impact	High Impact	No Impact	Low Impact	High Impact



# LTCR Project Status

- ✓ **Requirements Complete: 4/30**
- ✓ **Vendor Design(s) Complete: 4/17 – 6/26**
- **Vendor Development: 6/1-8/22**
- **SPP Publish API Specs: 7/28 and 10/13**
- **MP Training: 10/16 – 11/06**
- **MP Testing: 11/10/14 – 1/16/15**



# High Level Risk

- **Project Risks**
  - **Testing Schedule timeline**
  - **Overlap of SPP and MP testing**
  - **FERC Ruling necessitating software changes**
  - **Schedule impacts with other Projects**

# Long-Term Congestion Rights (LTCR) Training



**Audience:** MPs currently engaged in the TCR Market

## **Content:**

- Components of the LTCRs and the process for granting them
- Updates to the TCR User Interface

**Register:** [SPP Learning Center](#)

## **Schedule:**

Date	Time
Thursday, October 16	2:00 p.m. — 4:00 p.m. CST
Wednesday, October 29	9:00 a.m. — 11:00 a.m. CST
Thursday, November 6	2:00 p.m. — 4:00 p.m. CST

# FAQs

- **What are the supported web browsers for LTCR?**
  - IE10, Chrome 25, Firefox 20
- **Are there Settlements system changes?**
  - No

# API SPECIFICATIONS

# SAMPLE DOWNLOAD FILES

# Downloads

- **Modified Reports**
  - Transmission Service Entitlements
  - Existing TCRs
  - Binding Constraints
- **New Reports**
  - LTCR Allocation Results
  - Aggregated LTCR
  - TCRs Converted from LTCR

# Modified Reports - TSRs

- **Adding LTCR candidates to Annual Allocation Market report**
  - **Includes additional information**
    - **LTCR Identifier**
    - **LSE/Non-LSE status**
    - **Previous year LTCR awards and MW amounts**
- **LTCR Allocation Market will also have TSR report**
  - **Contains only LTCR candidate TSRs**
  - **Same format as Annual Allocation TSR report**

# Modified Reports Continued

- **Private Existing TCRs**
  - **New Market Type**
    - **LTCR**
- **Binding Constraints**
  - **Information notating if constraint bound in LSE or Non-LSE iteration**



# New Reports

- **LTCR Allocation Results**
- **Aggregated LTCR**
- **TCRs Converted from LTCR**

# Next Steps

- **Request Feedback on LTCR**
  - **Sample Download reports**
  - **APIs**

## Point of Contact

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Submit questions through [RMS](#)

Quick pick- Project Pinnacle: Long-Term Congestion Rights