

## October 2021 Significant Event Capacity Procurement Mechanism Designations Report

### Designation Summary:

In October 2021, the California ISO issued Significant Event Capacity Procurement Mechanism (CPM) designations to multiple generating units. The designations' effective dates are listed in the table below and have a 30-day term. Prior designations have been included in a previous report.

### CPM Significant Event Designations

#### Amount and Cost:

Resource ID	CPM MWs	Designated Start Date	CPM Type	Price \$/kW-mon	Tac Area
OMAR_2_UNIT 1	2.32	10/1/2021	SIG EVT	6.31	SYS
OMAR_2_UNIT 2	2.12	10/1/2021	SIG EVT	6.31	SYS
OMAR_2_UNIT 3	2	10/1/2021	SIG EVT	6.31	SYS
OMAR_2_UNIT 4	2	10/1/2021	SIG EVT	6.31	SYS
SYCAMR_2_UNIT 1	3	10/1/2021	SIG EVT	6.31	SYS
SYCAMR_2_UNIT 2	8	10/1/2021	SIG EVT	6.31	SYS
JAWBNE_2_SRWWD2	2.36	10/1/2021	SIG EVT	6.31	SYS
GATEWT_2_GESBT1	5	10/1/2021	SIG EVT	6.31	SYS

### Reason for CPM Significant Event Designations:

The California ISO (ISO) issued CPM Significant Event designations to the resources listed above to address a CPM Significant Event. A CPM Significant Event is “a substantial event, or a combination of events, that is determined by the CAISO to either result in a material difference from what was assumed in the resource adequacy program for purposes of determining the Resource Adequacy Capacity requirements, or produce a material change in system conditions or in CAISO Controlled Grid operations, that causes, or threatens to cause, a failure to meet Reliability Criteria absent the recurring use of a non-Resource Adequacy resource(s) on a prospective basis.”

On June 29, 2021, Marybel Batjer, President, California Public Utilities Commission, and David Hochschild, Chair, California Energy Commission, sent a letter to Elliot Mainzer, President of the ISO. ([See joint statement and letter here](#)) The letter cites several significant changes in the assumptions underlying the resource adequacy program and in system conditions, including: (1) significantly reduced hydroelectric production due to worsening drought conditions; (2) unforeseen limitations on output of thermal resources; (3) extreme heat events that have begun unseasonably early; (4) planned online dates for several new resources have been delayed beyond the summer; (5) further development of demand-side resources in response to emergency procurement authorizations remains uncertain; (6) resources sufficient to meet peak demand are not always

adequate to support peak demand net of wind and solar generation (i.e., the net peak demand); and (7) the timeline of the resource adequacy compliance processes provide limited ability to address the changed conditions in the near term. The June 29 letter requests the ISO use its tariff-based authority to procure additional capacity in response to these factors. The ISO has concluded that the combination of these factors constitutes a CPM Significant Event, as that term is defined in the ISO tariff, and that the event may last through October.

The ISO has designated the resources noted above as CPM capacity to address the CPM Significant Event. The resources listed above offered capacity to the ISO to use under CPM, and that capacity was not procured previously as Resource Adequacy capacity. The CPM term is 30 days, as provided under the tariff, subject to adjustment and the payment provisions set forth in Section 43A of the ISO tariff.

Prior CPM report information is available to download at:

<http://www.caiso.com/market/Pages/ReportsBulletins/Default.aspx>