



California Independent
System Operator Corporation

December 15, 2011

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**Re: California Independent System Operator Corporation
Docket Nos. ER06-615-___ and ER07-1257-___
Market Disruption Report**

Dear Secretary Bose:

The California Independent System Operator Corporation (ISO) hereby submits its October/November report covering Market Disruptions reportable events under Section 7.7.15 of its FERC Electric Tariff (ISO Tariff) that occurred from October 16, 2011 to November 15, 2011.¹

Please contact the undersigned with any questions.

Respectfully submitted,

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¹ The ISO submits the Market Disruption report pursuant to *California Independent System Operator Corp.*, 126 FERC ¶ 61,211 (2009), and Section 7.7.15.4 of the ISO Tariff.



California ISO
Shaping a Renewed Future

Market Disruption Report October 16, 2011 to November 15, 2011

December 15, 2011

ISO Department of Market Analysis and Development

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I. Background

A Market Disruption is an action or event that causes a failure of a CAISO Market, related to system operation issues or System Emergencies.¹ Pursuant to Section 7.7.15 of the ISO Tariff, the California Independent System Operator Corporation (ISO or CAISO) can take one or more of a number of specified actions in the event of a Market Disruption, to prevent a Market Disruption, or to minimize the extent of a Market Disruption. The ISO reports Market Disruption occurrence in any of the following circumstances:

- When any of the ISO market processes fail to publish, including the Integrated Forward Market (“IFM”), Residual Unit Commitment (“RUC”), Hour-Ahead Scheduling Process (“HASP”), Real-Time Unit Commitment (“RTUC”), or Real-Time Dispatch (“RTD”) processes;
- When the ISO manually overrides the closing of the Day-Ahead Market; or
- Any time that the ISO removes Bids from a CAISO Market to prevent a Market Disruption or to minimize the extent of a Market Disruption.

The Market Disruption report contains the following information:

- The frequency and types of actions taken by the ISO pursuant to Section 7.7.15;
- The nature of the Market Disruptions that caused the ISO to take action, or the Market Disruptions that were successfully prevented or minimized by the ISO as a result of taking action, and the ISO’s rationale for taking such actions pursuant to Section 7.7.15;
- Information about the Bids (including Self-Schedules) removed pursuant to Section 7.7.15 (*i.e.*, megawatt quantity, point of interconnection, specification of the Day-Ahead versus Real-Time Bid, and Energy or Ancillary Services Bid); and
- The ISO’s rationale for its removal of Bids (including Self-Schedules) pursuant to Section 7.7.15.²

¹ These system operation issues or System Emergencies are referred to in Sections 7.6 and 7.7, respectively, of the ISO Tariff. ISO Tariff, Appendix A, definition of Market Disruption. Capitalized terms not otherwise defined herein have the meanings set forth in the ISO Tariff.

² *Id.* at P 29 & n.29.

II. Report on Market Disruptions Occurring from October 16, 2011 through November 15, 2011

The ISO’s report on Market Disruptions that occurred during the time period from October 16, 2011 through November 15, 2011, is provided in Table 1 and Attachment A below. Attachment A includes an entry for each reportable Market Disruption event and each entry also indicates:

- (1) The date of the Market Disruption;
- (2) The hour and Dispatch Interval when the Market Disruption ended;
- (3) The type of CAISO Market in which the Market Disruption occurred; and
- (4) A description of the nature of the Market Disruption, the nature of any actions taken by the ISO, the rationale for such actions, and the Market Disruption prevented or minimized as a result of taking such actions.

For each of the CAISO Markets, Table 1 lists the number of Market Disruptions and the number of times that the ISO removed Bids (including Self-Schedules) during the time period covered by this report. As shown in Table 1, there were a total of 98 Market Disruptions for the reporting period, all of which occurred in the Real-Time Market (RTM). The number of Market Disruptions decreased as compared with the November 2011 report. Table 1 also indicates that the ISO did not remove any Bids (including Self-Schedules) in any of its markets during the reporting period.

Table 1: Summary of Market Disruption Report

Type of CAISO Market	Market Disruption or Reportable Events	Removal of Bids (including Self-Schedules)
Day-Ahead		
IFM	0	0
RUC	0	0
Real-Time		
Real-Time Unit Commitment Interval 1	3	0
Real-Time Unit Commitment Interval 2	4	0
Real-Time Unit Commitment Interval 3	5	0
Real-Time Unit Commitment Interval 4	1	0
Real-Time Dispatch	85	0

Table 1 and Attachment A indicate that there were 13 instances of RTUC failures, including 4 HASP failures. The count of RTUC failures and HASP failures decreased by 4 compared with the November 2011 Report. Most of the

RTUC failures (including the HASP failures) were caused by broadcast failure, software application failure, software application not running, and database issue. The frequency of RTD failures decreased to 85 from 92 of such instances reported in the November 2011 Report. Most of the RTD failures were due to software application failure, software application timing out, database issue, and broadcast results failure. RTD failures accounted for approximately 87 percent of all of the Market Disruptions during this reporting period.

On October 17, seven RTD failures occurred due to software issues, broadcast issues, and other reasons.

On October 19, nine RTD failures, three RTUC failures, and one HASP failure occurred due to software issues, broadcast issues, and other reasons.

On October 31, seven RTD failures occurred. On the same day, two RTUC failures occurred due to software issues.

On November 4, nine RTD failures occurred mainly due to broadcast issues.

On November 14, ten RTD failures and three RTUC failures occurred mainly due to software issues, broadcast issues, and database issues.

ATTACHMENT A

**California Independent System Operator Corporation
Market Disruption Report
December 15, 2011**

Table 1: Market Disruptions, Nature of Actions Taken by the California ISO, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
1	10/17/2011	8	2	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
2	10/17/2011	8	3	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
3	10/17/2011	8	4	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
4	10/17/2011	14	10	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
5	10/17/2011	16	5	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
6	10/17/2011	16	6	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
7	10/17/2011	23	4	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
8	10/18/2011	17	5	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
9	10/18/2011	17	6	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
10	10/18/2011	18	5	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
11	10/18/2011	18	6	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
12	10/18/2011	24	2	RTD	RTD failed. Loss clearing payload and LMP filled from advisory results.
13	10/19/2011	7	3	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
14	10/19/2011	7	4	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
15	10/19/2011	8	3	RTUC	RTUC failed due to HIS issue. This interval was filled either automatically or interactively. MQS published PNode clearing and resource awards for this interval.
16	10/19/2011	8	4	RTUC	RTUC failed due to software issue. This interval was filled either automatically or interactively. MQS published PNode clearing and resource awards for this interval.
17	10/19/2011	8	6	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
18	10/19/2011	8	7	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
19	10/19/2011	8	11	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
20	10/19/2011	9	3	RTUC	Broadcast of RTUC results failed. This interval was filled either automatically or interactively. MQS published PNode clearing and resource awards for this interval.

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
21	10/19/2011	17	2	HASP	HASP failed due to block all. This interval was filled either automatically or interactively. MQS published PNode clearing and resource awards for this interval.
22	10/19/2011	9	6	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
23	10/19/2011	9	7	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
24	10/19/2011	17	5	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
25	10/19/2011	17	6	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
26	10/21/2011	13	4	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
27	10/21/2011	13	5	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
28	10/21/2011	13	6	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
29	10/21/2011	13	8	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
30	10/21/2011	13	9	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
31	10/21/2011	13	10	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
32	10/23/2011	16	2	HASP	HASP failed due to software issues. This interval was filled either automatically or interactively. MQS published PNode clearing and resource awards for this interval.

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
33	10/23/2011	16	5	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
34	10/23/2011	18	5	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
35	10/23/2011	18	6	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
36	10/26/2011	18	5	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
37	10/26/2011	18	6	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
38	10/27/2011	3	2	RTD	RTD failed. Loss clearing payload and LMP filled from advisory results.
39	10/27/2011	3	3	RTD	RTD failed. Loss clearing payload and LMP filled from advisory results.
40	10/28/2011	19	11	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
41	10/28/2011	19	12	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
42	10/29/2011	16	5	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
43	10/29/2011	16	6	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
44	10/29/2011	19	11	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
45	10/29/2011	19	12	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
46	10/30/2011	21	5	RTD	RTD failed due to software issues. Loss clearing payload and LMP filled from last good interval.
47	10/30/2011	21	6	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
48	10/31/2011	12	4	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
49	10/31/2011	14	6	RTD	RTD not run. Loss clearing payload and LMP filled from last good interval.
50	10/31/2011	14	7	RTD	RTD not run. Loss clearing payload and LMP filled from last good interval.
51	10/31/2011	14	8	RTD	RTD not run. Loss clearing payload and LMP filled from last good interval.
52	10/31/2011	15	1	RTUC	RTUC failed due to software patch deployment. This interval was filled either automatically or interactively. MQS published PNode clearing and resource awards for this interval.
53	10/31/2011	15	3	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
54	10/31/2011	15	4	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
55	10/31/2011	15	5	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
56	10/31/2011	21	3	RTUC	RTUC failed due to HIS failure. This interval was filled either automatically or interactively. MQS published PNode clearing and resource awards for this interval.

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
57	11/1/2011	14	10	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
58	11/1/2011	14	11	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
59	11/1/2011	20	3	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
60	11/3/2011	13	11	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
61	11/3/2011	14	3	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
62	11/3/2011	18	4	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
63	11/3/2011	21	5	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
64	11/4/2011	10	9	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
65	11/4/2011	10	10	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
66	11/4/2011	10	11	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
67	11/4/2011	13	1	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
68	11/4/2011	13	9	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
69	11/4/2011	14	1	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
70	11/4/2011	14	2	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
71	11/4/2011	14	11	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
72	11/4/2011	15	3	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
73	11/5/2011	16	2	HASP	HASP timed out. This interval was filled either automatically or interactively. MQS published PNode clearing and resource awards for this interval.
74	11/8/2011	14	4	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
75	11/9/2011	14	3	RTUC	RTUC failed. This interval was filled either automatically or interactively. MQS published PNode clearing and resource awards for this interval.
76	11/9/2011	18	1	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
77	11/10/2011	14	4	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
78	11/10/2011	14	5	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
79	11/12/2011	12	5	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
80	11/13/2011	17	6	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
81	11/13/2011	17	10	RTD	RTD failed due to time out. Loss clearing payload and LMP filled from last good interval.
82	11/13/2011	17	11	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
83	11/13/2011	18	2	HASP	HASP failed. This interval was filled either automatically or interactively. MQS published PNode clearing and resource awards for this interval.
84	11/13/2011	19	5	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
85	11/13/2011	20	8	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
86	11/14/2011	7	6	RTD	RTD failed due to time out. Loss clearing payload and LMP filled from last good interval.
87	11/14/2011	7	7	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
88	11/14/2011	14	3	RTD	Broadcast of RTD results failed. Loss clearing payload and LMP filled from last good interval.
89	11/14/2011	14	3	RTUC	RTUC failed due to Database issue. This interval was filled either automatically or interactively. MQS published PNode clearing and resource awards for this interval.
90	11/14/2011	14	4	RTD	RTD failed due to fallback activity. Loss clearing payload and LMP filled from last good interval.
91	11/14/2011	14	5	RTD	RTD failed due to fallback activity. Loss clearing payload and LMP filled from last good interval.
92	11/14/2011	14	6	RTD	RTD failed due to fallback activity. Loss clearing payload and LMP filled from last good interval.

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
93	11/14/2011	14	8	RTD	RTD failed due to fallback activity. Loss clearing payload and LMP filled from last good interval.
94	11/14/2011	14	9	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
95	11/14/2011	14	10	RTD	RTD failed due to fallback activity. Loss clearing payload and LMP filled from last good interval.
96	11/14/2011	14	11	RTD	RTD failed. Loss clearing payload and LMP filled from last good interval.
97	11/14/2011	15	1	RTUC	RTUC failed due to Database issue. This interval was filled either automatically or interactively. MQS published PNode clearing and resource awards for this interval.
98	11/14/2011	16	1	RTUC	RTUC failed due to IFM?RTN fallback. This interval was filled either automatically or interactively. MQS published PNode clearing and resource awards for this interval.
Notes:					
Integrated Forward Market (IFM): The Day-Ahead Market run in which the ISO conducts the market for purchases and sales of Energy for all hours of the next Trading Day based on submitted supply and demand bids, and performs the procurement of Ancillary Services.					
Residual Unit Commitment (RUC): The Day-Ahead Market run in which the ISO conducts unit commitment of additional resources based on submitted availability bids and the forecast of demand for every hour of the next Trading Day.					
Real-Time Unit commitment (RTUC) Interval 1: The first of a series of four market runs conducted every Trading Hour in advance of the Operating Hour. In this run the ISO conducts the Market Power Mitigation and Reliability Requirement Determination for submitted Bids, which applies to all of the Real-Time Market processes for the given Trading Hour. In this interval the ISO also conducts the procurement of incremental Ancillary Services from internal resources and dynamic external resources.					
Real-Time Unit commitment (RTUC) Interval 2: The second of a series of four market runs conducted every Trading Hour in advance of the Operating Hour during which the ISO conducts the HASP. In the HASP, the ISO conducts the procurement and sale of Energy and Ancillary services from non-dynamic System Resources based on submitted Bids and the CAISO Forecast of CAISO Demand. In this interval the ISO also conducts the advisory procurement of incremental Ancillary Services from internal resources and dynamic external resources from T to T+60 minutes and procurement for the given Trading Hour.					
Real-Time Unit commitment (RTUC) Interval 3: The third of a series of four market runs conducted every Trading Hour. During this interval the					

ISO conducts the commitment of internal Short-Start and Fast Start Units for the Time Horizon of T-30 minutes to T+240 minutes. In this interval the ISO also conducts the procurement of incremental Ancillary Services from internal resources and dynamic external resources for the given Trading Hour.
Real-Time Unit commitment (RTUC) Interval 4: The fourth of a series of four market runs conducted every Trading Hour. This interval is for the Real-time Unit Commitment for the T-105 minutes to T+60 minutes time horizon. In this interval the ISO also conducts 15-minute Ancillary Service Awards for non-Hourly System Resources, internal resources and dynamic external resources for the given Trading Hour.
Real-Time Dispatch (RTD): The five minute interval of any given Operating Hour during which the ISO conducts the market for Energy based on submitted bids and the CAISO Forecast of CAISO Demand.

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing document upon the parties listed on the official service list in the captioned proceedings, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, California this 15th day of December, 2011.

Anna Pascuzzo

Anna Pascuzzo