I. Introduction

On January 22, 2019, the California ISO submitted proposed edits to its Business Practice Manual (BPM) for Outage Management through its BPM change management process. The purpose of these edits, submitted as proposed revision request (PRR) 1122, is to notify market participants that the practice of submitting a forced outage after the ISO has rejected the same outage when submitted as a maintenance outage potentially violates existing tariff provisions and regulatory requirements and, thus, may be subject to further scrutiny from the ISO, the ISO's Department of Market Monitoring (DMM), or the Federal Energy Regulatory Commission's Office of Enforcement.

Since mid-2017, the ISO has observed more frequent instances of this planned-to-forced outage reporting. This increased frequency made clear to the ISO that it needed to take action. The pervasiveness of the conduct also suggested some market participants may not have understood the conduct is problematic. In reaction, the ISO submitted PRR 1122 to provide clear notice of its expectations and what further actions it might take. Notably, PRR 1122 does not alter participants' outage reporting obligations, nor does it grant the ISO any new outage approval authority. Instead, the ISO submitted PRR 1122 solely to prevent further outage reporting violations.

Two stakeholders, Pacific Gas and Electric Co. (PG&E) and the Six Cities,[1] appealed PRR 1122. The basis of the appeals is that planned-to-forced outages are permitted under market rules or that other problems with ISO outage processes justify the conduct. Neither one of these broad positions provides a basis for setting aside PRR 1122. The ISO continues to find that, depending on the specific circumstances,

[1] The Six Cities refers to the Cities of Anaheim, Azusa, Banning, Colton, Pasadena, and Riverside, California. These cities frequently participate in ISO matters as a single party.

planned-to-forced outage reporting could violate the ISO tariff and FERC market behavior rules. Further, market participants may not exercise "self-help" and violate market rules where they believe ISO business processes disadvantage them. If the ISO reasonably suspects that market participant behavior violates market rules, the ISO or DMM must inform FERC. Given that reality, PRR 1122 represents an appropriate effort to give market participants a "heads up" on how to avoid regulatory scrutiny and reiterates the need for integrity in the ISO's outage reporting process. Accordingly, ISO staff respectfully urge the BPM Appeal Committee to reject these appeals and allow the language added through PRR 1122 to remain.

II. Background

A. ISO Outage Approval Processes

The ISO tariff establishes two main classes of outages: maintenance outages and forced outages.[2] For transmission facilities, a maintenance outage is defined as the time during which the operator "takes its transmission facilities out of service for the purposes of carrying out routine planned maintenance . . . ."[3] For generating units, a maintenance outage is the time during which the operator "limits the capability of or takes its Generating Unit or System Unit out of service for the purposes of carrying out routine planned maintenance . . . ." A forced outage for either generation or transmission is defined as: "An Outage for which sufficient notice cannot be given to allow the Outage to be factored into the Day-Ahead Market or RTM bidding processes." Under section 30.1.1 of the tariff, scheduling coordinators "may submit Bids for the DAM as early as seven (7) days ahead of the targeted Trading Day." As a result, under the

[2] Maintenance outages are sometimes referred to informally as planned outages.
[3] Attachment A provides a compilation of the relevant tariff provisions cited in this brief.

tariff, the timing cut-off between a maintenance outage and a forced outage is eight days; a forced outage is an outage that could not have been submitted with more than seven days' notice before the day on which the outage starts.

Section 9.3.2 of the ISO tariff gives the ISO final authority to approve outages for planned maintenance on generating units and transmission assets. It states specifically that neither transmission facilities nor generating units may be taken "out of service for the purposes of planned maintenance or for new construction or other work except as approved by the CAISO." The ISO reviews maintenance outages in priority order based on the date requested. In considering a requested maintenance outage, the ISO makes an engineering determination whether it can accommodate the outage without detrimental system impacts, given any other maintenance outages for that day the ISO already has approved. The ISO studies forced outages for their anticipated impact on the system. Because they typically represent exigent circumstances that could not have been addressed with more than seven days' notice, the ISO usually approves them.

B. The Problems with Planned-to-Forced Outage Reporting

Starting in mid-2017, ISO operations personnel noticed an increasingly common pattern of generators and transmission operators submitting forced outages after the ISO cancelled or disapproved a maintenance outage on the same facility for the same time period. This planned-to-forced outage reporting scenario raised multiple levels of concern for the ISO.

The practice poses operational concerns because the CAISO denied the requested maintenance outages for a reliability reason. In other words, the ISO already

determined that the system could not accommodate the outage, yet the generator or transmission operator took the outage despite the ISO's determination.

ISO tariff section 9.3.2 forbids market participants from taking outages for planned maintenance without ISO approval. The basic planned-to-forced outage reporting practice raised serious questions as to whether market participants were taking facilities "out of service for the purposes of planned maintenance" without ISO approval in violation of section 9.3.2. Worse yet, in these cases, the ISO actively withheld its approval. The ISO was concerned this conduct violated the tariff and undermined both reliability and the ISO's basic authority as the grid operator.[4]

Concerns also exist whether the planned-to-forced scenario violates FERC market behavior rules, which prohibit a market participant from submitting "false or misleading information, or omit[ting] material information, in any communication with" an ISO/RTO.[5] Appendix A of the ISO tariff defines a forced outage based on whether the transmission operator or generator could have provided notice of the outage before the day-ahead bidding processes began. Submitting a forced outage for the same time period the ISO previously denied a maintenance outage request suggests the participant may be misrepresenting the characteristics/nature of the outage request.

ISO tariff section 9.3.10.6 calls for the ISO to report to FERC "any Forced Outage [that] may have been the result of gaming or other questionable behavior . . . ." This section provides ten non-exhaustive factors for the ISO to consider in making this

[4] This conduct also separately would violate FERC rules that require generators to "declare outages . . . in a manner that complies with the Commission-approved rules and regulations of the applicable market." 18 C.F.R. § 35.41(a).
[5] 18 C.F.R. § 35.41(b).

evaluation. One factor is "if the CAISO had recently rejected a request for an Outage for, or to Shut-Down, the Generating Unit experiencing the Forced Outage."

The pervasiveness of the planned-to-force conduct, combined with initial outreach to some market participants, suggested to the ISO that at least some market participants may not have appreciated that their conduct might violate the CAISO tariff or FERC's market behavior rules or that it potentially creates reliability concerns. To avoid creating what some market participants might view as a "compliance trap," the ISO decided it was important to provide clarity to market participants, through a BPM PRR, that planned-to-forced outage reporting can be problematic.

C. PRR 1074 as the Initial Effort at Providing Guidance

The ISO's first effort at addressing planned-to-forced outage reporting was through PRR 1074 (posted on August 3, 2018), which proposed amendments to section 9.2.1 of the Reliability Requirements BPM.[6] Multiple parties opposed the revision, and two parties appealed PRR 1074. Some participants questioned if planned-to-forced outage reporting was really as problematic as the ISO claimed. Others asserted that ISO outage management practices, especially late notice of maintenance outage cancellations/disapprovals, force them into resubmitting a maintenance outage as a forced outage. The ISO disagreed these were valid reasons to set PRR 1074 aside.

Some participants also expressed a concern that operators might schedule needed maintenance based on the availability of specialized contractors. They

[6] The text of PRR 1074 is provided as Attachment B to this document. Further details of the PRR are available at: https://bpmcm.caiso.com/Pages/ViewPRR.aspx?PRRID=1074&IsDlg=0. The ISO proposed to add this language to the Reliability Requirements BPM, rather than the Outage Management BPM, because planned-to-forced outage reporting was observed to occur most frequently with generators providing RA capacity. In some cases, RA units with a maintenance outage were assigned a substitution obligation. When they failed to provide the assigned substitute capacity the ISO cancelled the maintenance outage and the generator would then resubmit a similar outage as a forced outage.

explained that if the ISO withholds final approval of that outage, then waiting for the next window of availability for the needed staff could require the equipment to operate in a dangerous condition. The ISO agreed that an operator should be permitted to submit a forced outage where reasonably needed to prevent equipment from failing in service, even if the maintenance outage was rejected or did not receive final approval. The ISO and the two parties that appealed PRR 1074 agreed that the ISO would withdraw PRR 1074 and propose a new PRR that addressed these concerns.[7]

D. PRR 1122 as a Response to Stakeholder Feedback on PRR 1074

The ISO posted PRR 1122 on January 10, 2019.[8] PRR 1122 maintained the key statements of PRR 1074 but also acknowledged that planned-to-forced outage reporting may be permissible depending on the circumstances. The key question is, regardless of any prior ISO denial of a maintenance outage request, when the participant submits a forced outage, does that participant have a credible basis for explaining why the outage cannot wait an additional eight days (*i.e.*, it cannot be resubmitted as another maintenance outage request)? If the participant has such an explanation, then the ISO can feel comfortable that the outage likely meets the tariff definition of a forced outage. The examples provided through PRR 1122 represent the most likely instances where that might be the case. In the PRR process the ISO also agreed "that other situations, beyond those it contemplates in the revised PRR, may be appropriate" and that "[o]ver

[7] The ISO submitted PRR 1121 on January 10, 2019. This PRR proposed to remove the language added through PRR 1074.

[8] The text of PRR 1122 is provided as Attachment C to this document. Further details of the PRR are available at: https://bpmcm.caiso.com/Pages/ViewPRR.aspx?PRRID=1122&IsDlg=0. The ISO also concluded that it was more appropriate to place the language in the Outage Management BPM, rather than the Reliability Requirements BPM.

time and with additional experience, the ISO may consider expanding the list of examples."[9] Even with these concessions, some parties still opposed the new PRR during the PRR process because, among other reasons, they claimed the PRR still represented a substantive change to the outage reporting process and does not sufficiently acknowledge the circumstances in which the conduct may be appropriate. In response to the feedback, the ISO agreed to several more incremental edits.

E. Stakeholder Appeals of Proposed Revision Request 1122

In response to the ISO's final decision on PRR 1122, Six Cities and PG&E appealed the PRR on April 15, 2019, and April 17, 2019, respectively. Following the appeals, ISO staff conferred separately with representatives of PG&E and Six Cities to explore avenues of resolving their concerns without holding the appeal hearing. These discussions helped all sides better understand their respective positions but did not highlight opportunities for further compromise.

III. Discussion of Arguments Raised on Appeal

A. PRR 1122 Reinforces Existing Outage Requirements

PG&E and Six Cities both argue that PRR 1122 represents a substantive change in outage policy that merits a stakeholder process. Six Cities asserts that PRR 1122 "is a substantive change impacting the CAISO's evaluation of outage requests [that] constitutes a new policy for the treatment of outage requests."[10] The basis for Six Cities' claim is ISO tariff section 9.3.6.4.1(d),[11] which "permits a Scheduling Coordinator

[9] The ISO offered this statement in its response matrix to PRR 1122 comments, available at: https://bpmcm.caiso.com/Lists/PRR%20Details/Attachments/1122/PRR%201122%20recommendation%20comment%20matrix.xlsx.

[10] Six Cities opening brief, at 3.

[11] The Six Cities brief cites to section 9.3.6.1.1. Based on the context of the comment, the ISO believes the intent was to reference section 9.3.6.4.1(d).

to submit a new request for a forced outage if a request to change a schedule for maintenance is not approved by the CAISO." In Six Cities' view, PRR 1122 "would render the submission of the forced outage – which is expressly permitted by the Tariff – as an unauthorized outage or as submission of false or misleading information."[12] PG&E argues that PRR 1122 constitutes a substantive change, stating: "The facts remain that prior to this PRR, market participants were allowed to resubmit CAISO-cancelled planned outages in the forced timeframe. After the passage of PRR 1074, and subsequent 1122, there has been a substantive change in the ability of an SC or Operator to resubmit a CAISO-cancelled planned outage."

The ISO disagrees with the claims that PRR 1122 represents a substantive change. Instead, PRR 1122 merely provides market participants notice about existing obligations under the tariff. Contrary to PG&E's statements, market participants never have held blanket authority to "resubmit CAISO-cancelled planned outages in the forced timeframe," even if this conduct in the past has escaped scrutiny. Indeed, PG&E's statement shows why market participants will benefit from the additional clarity PRR 1122 provides.

Six Cities' reference to tariff section 9.3.6.4.1(d) does not undermine the ISO's position. It states that if a "request to change an Approved Maintenance Outage that is submitted seven days or less prior to the start date for the Outage . . . is not approved, the Scheduling Coordinator for the resource may submit a request for a new Forced Outage for the schedule change." Six Cities presumably argues that because this section mentions resubmission as a forced outage, it must follow that in all cases

[12] Six Cities opening brief, at 3.

planned-to-forced outage reporting is allowed under the tariff. Six Cities overstates the scope of section 9.3.6.4.1(d). This tariff section addresses a narrow scenario—late notification of a request to move an already-approved outage; it does not address broader outage reporting restrictions or obligations. At most, it represents an exception to a general rule (in one specified instance) rather than supporting Six Cities' claim the language supports a rule of general applicability. Six Cities' claims about this section also ignore section 9.3.10.6, which, as discussed above, specifically identifies planned-to-forced outages as one indication of a questionable outage. The best reading of section 9.3.6.4.1(d) is that it merely notes that resubmission as a forced outage is permitted provided it actually is a forced outage when submitted as such. That an already-approved outage would need to be moved logically can be explained by changed circumstances. PRR 1122 specifically contemplates this as a case where the ISO likely would not find planned-to-forced outage reporting as suspect.

Appellants' claims of a substantive change also confuse actions the ISO takes with actions FERC takes. During the extended PRR process preceding this appeal, the ISO made clear that PRR 1122 merely provides notice of what conduct the ISO intends to raise to FERC's attention. That is the only action covered by PRR 1122. Any further enforcement or investigative actions would be taken solely by FERC in its enforcement role. PRR 1122 does not grant the ISO any enforcement authority.

Finally, a simple counterfactual question belies any claim that PRR 1122 imposes a substantive change—If PRR 1122 were not in effect, would the ISO or DMM be forbidden from reporting planned-to-forced outage practices to FERC? The answer clearly is NO. ISO tariff section 9.3.10.6 and DMM's core market monitoring

responsibility to refer suspected market violations to FERC establish without question that such reporting can occur irrespective of PRR 1122. That being the case, there is no reasonable basis to claim that PRR 1122 creates a substantive change in the ISO's outage management process.

B. A Market Participant's Open Acknowledgement of a False Information Violation Does Not Cure the Violation

PG&E and Six Cities both question the ISO's position that planned-to-forced outage reporting could be construed as submitting false information to the ISO. PG&E states it "respectfully disagrees with the principle that transparent and accurate resubmission of a CAISO-cancelled planned outage is equivalent to submitting false or misleading information."[13] Six Cities states that where a forced outage is submitted "with a true and accurate description of the reasons for doing so, it would be inappropriate for the CAISO to treat this submission of a forced outage as the submission of false or misleading information, because no false or misleading information was, in fact, provided."[14]

Appellants' arguments about application of FERC's rule against "false or misleading information" are inconsistent with FERC precedent. In *Deutsche Bank Energy Trading, LLC*, the Commission's order approving a consent agreement found that Deutsche Bank violated the false information rule when it submitted "wheeling through" transactions to the ISO.[15] At the time, the ISO tariff defined a wheeling through transaction as the use of the ISO's grid to transmit energy from a resource

[13] PG&E opening brief, at 3.
[14] Six Cities opening brief, at 5.
[15] *Deutsche Bank Energy Trading, LLC*, 142 FERC ¶ 61056, P 23 (2013).

outside the ISO "to serve a Load located outside the transmission and Distribution System of a Participating [Transmission Operator]." The Commission's order approved the determination that "Deutsche Bank did not meet the tariff's requirements for Wheeling-Through transactions because its transactions lacked both an external resource and an external Load,"[16] The Commission made the same rulings in approving consent agreements with Constellation Energy and Gila River Power regarding the same conduct.[17] Importantly, with Deutsche Bank the Commission made its ruling despite Deutsche Bank's arguments that it "openly submitted truthful and accurate information regarding the details of its transactions to the CAISO: it identified every source location, sink location, and transmission path [so there] is no reasonable basis for finding" a violation of the false information rule.[18] The Commission did not give credence to Deutsche Bank's argument that an open misrepresentation cannot violate the Commission's rule against submitting false information. This is virtually the same argument that PG&E and Six Cities now raise, and FERC concluded that they did not justify the conduct in question.

The ISO's review provides it a reasonable basis to believe that, at least in some cases, FERC would find submission of a forced outage when the outage could have been requested as a maintenance outage timeframe violates FERC's false information rule. For that reason, the admonitions in PRR 1122 are justified and appropriate.

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[16] *Id.*
[17] *Constellation Energy Commodities Group, Inc.*, 145 FERC ¶ 61,062 (2013); *Gila River Power, LLC*, 141 FERC ¶ 61,136 (2012).
[18] *Deutsche Bank Energy Trading, LLC*, Answer of DB Energy Trading LLC to Order to Show Cause at 67, FERC Docket No. IN12-4-000 (Nov. 5, 2012).

C. Complaints About Hypothetical Collateral Impacts are Unsupported

PG&E identifies three purported negative impacts of PRR 1122 that it alleges justify overturning PRR 1122.[19] These concerns do not justify granting the appeals.

First, PG&E argues that PRR 1122 "could adversely impact generation reliability by unnecessarily delaying maintenance,"[20] explaining that "[t]here are many instances where rescheduling maintenance may not create an 'imminent maintenance issue' but such a deferment is not prudent or good utility practice." PG&E has not identified a meaningful reliability risk imposed by PRR 1122. When the ISO rejects or disapproves a maintenance outage, it is not saying that the outage can never happen. It is merely telling the operator that the outage has to happen some other time. PG&E's claim also ignores the last-in, first-out nature of the ISO's outage process. In this process, early submission of maintenance outages maximizes the likelihood of approval. If delay beyond the requested outage dates would not be prudent, then good utility practice also would mandate that the operator schedule its outages as early as possible.

Second, PG&E argues that "PRR 1122 could negatively impact the resource adequacy market." Maintenance outages on generators providing RA capacity can be approved with substitution, meaning that the generator must provide alternative capacity. This is called the planned outage substitution obligation. When the ISO approves a maintenance outage contingent on providing substitute capacity, the RA resource has until eight days before the outage to provide that substitute capacity. If

[19] Six Cities argues that PRR 1122 should be overturned on appeal because the ISO "has not addressed the negative impacts resulting from its new policy." Six Cities opening brief, at 2. Six Cities does not state specifically what it believes the negative impacts are. Without more details the ISO is unable to respond to this claim.

[20] PG&E opening brief, at 3.

substitute capacity is not provided by that deadline, the ISO may cancel the maintenance outage. PG&E argues that "the CAISO's discretion to cancel or approve outages up to eight days prior to a planned outage results in significant uncertainty for suppliers and hinders a market participants' ability to prudently manage its portfolio." PG&E argues that absent the "escape valve" of taking a forced outage, when a maintenance outage is cancelled, RA suppliers will hoard excess capacity on the assumption that all outages require substitution. The ISO understands that the market for RA capacity is tight. PG&E's concern, however, pertains to the existing planned outage substitution process defined in the tariff. Such concerns are far outside the narrow scope of this modest BPM amendment. Addressing those concerns would require a substantive change to ISO market rules.[21] Even if the ISO's focus on compliance with existing outage reporting obligations creates issues for market participants with other tariff structures, market participants may not exercise self-help to resolve their perceived problems; compliance with the tariff and FERC market rules is not optional just because it is costly or inconvenient.[22]

Third, PG&E asserts that PRR 1122 could affect customer rates so at the very least a full stakeholder process is appropriate to weigh the relative costs and benefits. The ISO understands that with outage reporting rules clarified, participants may change their current conduct and may bear costs from those changes. Any such costs, however, would arise from complying with existing obligations. The BPM change

[21] The ISO actively is considering such changes in the Resource Adequacy Enhancements stakeholder initiative. Details of that initiative are available at: http://www.caiso.com/StakeholderProcesses/Resource-Adequacy-Enhancements.

[22] *See, e.g.*, *Vitol Inc. & Federico Corteggiano*, 169 FERC ¶ 61070 (2019); *Deutsche Bank Energy Trading, LLC*, 142 FERC ¶ 61056 (2013).

management process surrounding PRRs 1074 and 1122 provided more than adequate opportunities for stakeholder engagement. It is unclear how further stakeholder engagement through the BPM change management process would yield a different result. Any different outcome would require substantive changes to the ISO market rules considered through a full policy stakeholder process leading to tariff amendments filed with FERC. Meanwhile, the ISO cannot abdicate its responsibility to implement its tariff, nor can it turn a blind eye to potential market rule violations.

D. PRR 122 Only Identifies Potential Outage Reporting Violations

Six Cities argues that PRR 1122 should be overturned on appeal because, in its view, the PRR grants "complete discretion to decide whether or not resubmission of a planned outage as a forced outage is legitimate or constitutes the submission of false or misleading information."[23] Six Cities is concerned that the PRR would "treat as submission of false or misleading information forced outages that have been submitted for a legitimate purpose" and that the ISO should "not automatically render [an outage] illegitimate if it must be re-submitted as a forced outage."[24] Six Cities concedes that the ISO tried to address some of these issues "but its revisions do not go far enough" and "lack specificity with regard to how the CAISO will determine whether an outage is legitimate."

As explained during the PRR process, nothing about PRR 1122 purports to define what outage reporting automatically is deemed inappropriate. The BPM language explicitly provides "[e]xamples of instances where resubmission in the forced timeframe may be appropriate . . . ." Even Six Cities' focus on what outage reporting

[23] Six Cities opening brief, at 4.
[24] Six Cities opening brief, at 3.

the ISO may find inappropriate is misplaced because FERC, not the ISO, is the ultimate decision maker on this issue. The ISO's discretion is solely over what matters it raises to FERC's attention. Any final decision is a fact-specific determination made by FERC. Under FERC rules, the ISO could not even impose sanctions on a market participant based on a violation that requires subjective determinations.[25] FERC has ruled specifically that the ISO is prohibited from enforcing penalties against submitting false or misleading information because "it does not meet the test of objectively identifiable behavior, and thus a suspected violation should be referred to the Commission, and not be subject to sanction by the CAISO."[26]

E. PRR 1122 Responds to a Concrete and Identified Problem

PG&E questions whether planned-to-forced outage reporting is even worth addressing, stating that the ISO "has yet to provide evidence that a problem indeed exists."[27] Citing the ISO's claims in the PRR process that PRR 1122 is driven by operations concerns, PG&E states that "[i]f there are operational concerns, then the CAISO should quantify these concerns and provide them to stakeholders. To date, no such evidence has been presented."[28]

PG&E's claims confuse the nature of PRR 1122. This BPM amendment is about providing notice of existing rules and how they may be enforced. The ISO need not justify its efforts to enforce existing rules. Also, there are multiple instances of planned-to-forced outage reporting. Each instance undermines the ISO's role as grid operator.

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[25] *Market Monitoring Units in Regional Transmission Organizations and Independent System Operators*, 111 FERC ¶ 61,267, P 5 (2005).
[26] *Cal. Indep. Sys. Operator Corp.*, 129 FERC ¶ 61,157, P 100 (2009).
[27] PG&E opening brief, at 6.
[28] PG&E opening brief, at 6.

Although it has been trying, the ISO does not yet have a comprehensive way of identifying planned-to-forced outage reporting. Any minor change in the dates or amount of a derate can obscure the connection between a rejected maintenance outage and a successive forced outage. The absence of that comprehensive analysis does not, however, undermine the basis of PRR 1122.

IV. Conclusion

The ISO is firm in its view that planned-to-forced outage reporting can violate its tariff and broader FERC market behavior rules. Nothing in the appeals calls the ISO to question that position. If the ISO reasonably suspects market participant behavior violates market rules, the ISO or its Department of Market Monitoring must inform FERC. PRR 1122 does nothing more than provide notice of this reality.

Rejecting PRR 1122 would not immunize planned-to-forced outage reporting or prevent the ISO from continuing to raise issues of concern to FERC. Whatever issues or concerns PG&E and Six Cities may have about the ISO's outage reporting procedures, rejecting PRR 1122 on appeal will not resolve those concerns. The ISO separately has been working with multiple market participants to address those matters and it will continue to do so. The question, then, is what purpose would be served by overturning PRR 1122 on appeal. ISO staff believes it serves no productive purpose to reject PRR 1122 and urges the BPM Appeal Committee to dismiss these appeals and allow the language added through PRR 1122 to remain in the Outage Management BPM.

Attachment A – Text of Relevant Tariff Provisions

9.3.2 Requirement for Approval

An Operator or Scheduling Coordinator shall not take: (i) facilities that comprise the CAISO Controlled Grid; or (ii) Generating Units of Participating Generators out of service for the purposes of planned maintenance or for new construction or other work except as approved by the CAISO, except that final approval may not be required for a Transmission Maintenance Outage as provided in Section 9.3.9.1. The information relating to each Maintenance Outage submitted by a Participating Generator in accordance with Section 9.3.5, or by a Participating TO in accordance with Section 9.3.5, constitutes a request for a long-range Maintenance Outage and is not considered an Approved Maintenance Outage until the CAISO has notified the Participating Generator of such approval pursuant to Section 9.3.6, or the Participating TO pursuant to Section 9.3.6.

* * *

9.3.6.4.1 Resource Maintenance Outages

(d) A request to change an Approved Maintenance Outage that is submitted seven days or less prior to the start date for the Outage, if approved, will remain classified as a Maintenance Outage. If the request is not approved, the Scheduling Coordinator for the resource may submit a request for a new Forced Outage for the schedule change.

* * *

9.3.10.6 Review of Forced Outages. With respect to Forced Outages of Generating Units that result in a reduction in maximum output capability that lasts fifteen (15) minutes or longer of 40 MW or more below the value registered in the Master File and ten (10) percent of the value registered in the Master File, Operators, and where applicable, Eligible Customers, Scheduling Coordinators, UDCs and MSS Operators promptly shall provide information requested by the CAISO to enable the CAISO to review the changes made to the maximum output capability or Forced Outages submitted by the Operator or Scheduling Coordinator and to prepare reports on Forced Outages. If the CAISO determines that any Forced Outage may have been the result of gaming or other questionable behavior by the Operator, the CAISO shall submit a report describing the basis for its determination to FERC. The CAISO shall consider the following factors when evaluating the Forced Outage to determine if the Forced Outage was the result of gaming or other questionable behavior by the Operator: 1) if the Forced Outage coincided with certain market conditions such that the Forced Outage may have influenced market prices or the cost of payments associated with Exceptional Dispatches; 2) if the Forced Outage coincided with a change in the Bids submitted for any units or resources controlled by the Operator or the Operator's Scheduling Coordinator; 3) if the CAISO had recently rejected a request for an Outage for, or to Shut-Down, the Generating Unit experiencing the Forced Outage; 4) if the timing or

content of the notice of the Forced Outage provided to the CAISO was inconsistent with subsequent reports of or the actual cause of the Outage; 5) if the Forced Outage or the duration of the Forced Outage was inconsistent with the history or past performance of that Generating Unit or similar Generating Units; 6) if the Forced Outage created or exacerbated Congestion; 7) if the Forced Outage was extended with little or no notice; 8) if the Operator had other alternatives to resolve the problems leading to the Forced Outage; 9) if the Operator took reasonable action to minimize the duration of the Forced Outage; or 10) if the Operator failed to provide any information or access to the generating facility requested by the CAISO within a reasonable time.

* * *

30.1.1 Day-Ahead Market

Bids submitted in the DAM apply to the twenty-four (24) hours of the next Trading Day (23 or 25 hours on the Daylight Savings transition days) and are used in both the IFM and RUC. Bids for the Regulation Up, Regulation Down, Spinning Reserve, and Non-Spinning Reserve service in the Day-Ahead Market must be received by Market Close for the Day-Ahead Market. The Bids shall include information for each of the twenty-four (24) Settlement Periods of the Trading Day. Failure to provide the information within the stated time frame shall result in the Bids being declared invalid by the CAISO. Scheduling Coordinators may submit Bids for the DAM as early as seven (7) days ahead of the targeted Trading Day.

* * *

Appendix A Definition – "Forced Outage"

An Outage for which sufficient notice cannot be given to allow the Outage to be factored into the Day-Ahead Market or RTM bidding processes.

* * *

Appendix A Definition – "Maintenance Outage"

A period of time during which an Operator (i) takes its transmission facilities out of service for the purposes of carrying out routine planned maintenance, or for the purposes of new construction work or for work on de-energized and live transmission facilities (e.g., relay maintenance or insulator washing) and associated equipment; or (ii) limits the capability of or takes its Generating Unit or System Unit out of service for the purposes of carrying out routine planned maintenance, or for the purposes of new construction work.

* * *

Appendix A Definition – "Outage"

Disconnection, separation or reduction in capacity, planned or forced, of one or more elements of an electric system.

Attachment B – Text of PRR 1074 (posted Aug. 3, 2018, withdrawn Jan. 10, 2019)

If a maintenance outage on a RA resource is approved and the ISO then asks for substitute capacity, it is not appropriate for the scheduling coordinator to cancel the planned outage and resubmit the same (or substantially similar) outage in the forced timeframe. In the absence of changes in the physical circumstances surrounding the outage request between the planned and forced timeframes, resubmitting the outage could be viewed as submission of false information to the ISO and/or taking an outage not authorized by the ISO. Instead, the scheduling coordinator should leave the requested outage as a planned maintenance outage. If the scheduling coordinator does not provide the requested substitute capacity, either the ISO will cancel the planned outage or the outage may proceed subject to potential RAAIM non-availability charges. Similarly, it is not appropriate outage practice for a scheduling coordinator intentionally to refrain from submitting a planned outage until the force outage timeframe. This is particularly so with RA resources, considering that some forced outage nature of work categories are exempt from RAAIM.

Attachment C – Text of PRR 1122 (posted Jan. 10, 2019, amended Apr. 1, 2019)

If the CAISO initially approves a requested planned transmission or generation outage and the CAISO subsequently disapproves the outage or withholds final approval, it is generally not appropriate for the PTO or scheduling coordinator for the generator to resubmit the same (or substantially similar) outage as a forced outage. Resubmitting the outage could be viewed as submitting 'false or misleading information' in violation of 18 CFR 35.41(b) and/or taking an outage not authorized by the ISO in violation of section 9 of the CAISO tariff. The CAISO cannot identify prospectively all instances in which resubmission in the forced timeframe may be appropriate. Examples of instances where resubmission in the forced timeframe may be appropriate include where: the planned outage was submitted because the need for addressing an imminent maintenance issue was identified shortly before the planned timeframe elapsed; the physical circumstances surrounding the outage request changed between the planned and forced timeframes (e.g., equipment has failed in service or is now in danger of imminent failure); waiting until the next opportunity for a planned outage poses substantial operational risk to the transmission or generation equipment.

Additionally, it is generally not appropriate for a PTO or scheduling coordinator for a generator to submit a forced outage for planned, non-urgent maintenance as it interferes with the CAISO's ability to concurrently manage outages, could create reliability risks and interferes with the intended functioning of availability incentives (e.g., RAAIM.)

Where the CAISO determines that a PTO or scheduling coordinator for a generator may have reported outages inappropriately, the CAISO and/or the Department of Market Monitoring may investigate and inform FERC of such conduct.