## **INDEX**

Arti	cle/Sec	ction Nu	ımber	Sheet No
	ARTIC		GENERAL PROVISIONS	1
	1	DEFIN	IITIONS AND INTERPRETATIONS.	1
		1.1	The general provisions of this Article I shall apply to this CAISO Tariff.	1
		1.2	Definitions.	1
		1.3	Rules of Interpretation.	1
	2	ACCE	SS TO THE CAISO CONTROLLED GRID.	3
		2.1	Open Access.	3
		2.2	Eligibility of Customers for Direct Access or Wholesale Sales	3
	3	<b>FACIL</b>	ITIES FINANCED BY LOCAL FURNISHING BONDS OR OTHER	
		TAX E	XEMPT BONDS.	4
	4	ROLES	S AND RESPONSIBILITIES.	5
		4.1	[NOT USED]	5
		4.2	Market Participant Responsibilities.	5
		4.3	Relationship Between CAISO and Participating TOs.	5
		4.4	Relationship Between CAISO and UDCs.	9
		4.5	Responsibilities of a Scheduling Coordinator.	13
		4.6	Relationship Between CAISO and Generators.	29
		4.7	Relationship Between CAISO and Participating Loads.	38
		4.8	Relationship Between CAISO and Eligible Intermittent Resources and	
			Between the CAISO and Participating Intermittent Resources.	38
		4.9	Metered Subsystems.	38
		4.10	Candidate CRR Holder and CRR Holder Registration.	51
		4.11	Relationship Between CAISO and SUDCs.	57
	5	[NOT I		63-72
	6		IUNICATIONS.	73
		6.1	Methods of Communications.	73
		6.2	CAISO's Secure Communication System.	75
		6.3	Communication of Dispatch Instructions.	76
		6.4	Communication of Operating Orders.	78
		6.5	CAISO Communications.	78
	7		EM OPERATIONS UNDER NORMAL AND EMERGENCY OPERATING	_
			ITIONS.	93
		7.1	CAISO Control Center Operations.	93
		7.2	Operating Reliability Criteria	95
		7.3	Transmission Planning Authority.	96
		7.4	General Standard of Care.	98A
		7.5	Routine Operation of the CAISO Controlled Grid.	98A
		7.6	Normal System Operations.	100
		7.7	Management of System Emergencies.	102
		7.8	Management of Overgeneration Conditions.	117
	8		LARY SERVICES.	119
	•	8.1	Scope.	119
		8.2	Ancillary Services Standards.	120
		8.3	Procurement of Ancillary Services, Certification and Testing	120
		0.0	Requirements for Providers of Ancillary Services, and Time-frame	
			For Contracting for Ancillary Services.	128
		8.4	Technical Requirements for Providing Ancillary Services.	139
		8.5	Time Frame for Submitting and Evaluating Ancillary Services Bids.	145
		8.6	Obligations for and Self-Provision of Ancillary Services.	146
		8.7	Scheduling of Units to Provide Ancillary Services.	150
		8.8	Black Start.	150
		8.9	Verification, Compliance Testing, and Audit of Ancillary Services.	150
		0.5	vermeation, compilative resting, and Addit of Antiliary Services.	100

	8.10	Periodic Testing of Units.	159
	8.11	Temporary Changes to Ancillary Services Penalties	164
9	OUTAG	GES.	165
	9.1	Coordination and Approval for Outages.	165
	9.2	Responsibility for Authorized Work on Facilities.	165
	9.3	Coordination of Outages and Maintenance.	165
	9.4	Outage Coordination For New Facilities.	184
	9.5	Records.	187
	9.6	Facility Owner.	187
10	METER	·	188
	10.1	General Provisions.	188
	10.2	Metering for CAISO Metered Entities.	192
	10.3	Metering for Scheduling Coordinator Metered Entities.	204
	10.4	Exemptions from Compliance.	211
11		SETTLEMENTS AND BILLING.	214
	11.1	Settlement Principles.	214
	11.2	Settlement of Day-Ahead Market Transactions.	216
	11.3	[NOT USED]	228
	11.4	HASP Settlement of Scheduling Points.	228
	11.5	Real-Time Market Settlements.	229
	11.6	[NOT USED]	247
	11.7	Additional MSS Settlements Requirements.	247
	11.8	Bid Cost Recovery.	250
	11.9	Inter-SC Trades.	275
	11.10	Settlements for Ancillary Services.	276
	11.11	High Voltage Access Charges and Transition Charges, and	210
		Wheeling Through and Wheeling Out Transactions.	295
	11.12	Participating Intermittent Resources.	296
	11.13	Settlements and Billing of Reliability Must-Run Charges and Payments.	298
	11.14	Neutrality Adjustments.	310
	11.15	Payments Under Section 42.1 Contracts.	311
	11.16	Additional Ancillary Services and RUC Capacity Obligation	• • •
		Rescission of Payments Requirements.	311
	11.17	CAISO Operating and Capital Reserves Account.	313
	11.18	Emissions Costs.	313
	11.19	FERC Annual Charges.	316
	11.20	NERC/WECC Charges.	320
	11.21	[NOT USED]	330
	11.22	Grid Management Charge.	331
	11.23	Penalties for Uninstructed Imbalance Energy.	338
	11.24	Interim Scheduling Report, Charge and Allocation.	345
	11.25	[NOT USED]	347
	11.26	[NOT USED]	347
	11.27	Voltage Support and Black Start Charges.	347
	11.28	No Title	347
	11.29	Billing and Payment Process.	347
	11.30	Auditing.	378
	11.31	HASP Intertie Schedules Decline Charges	378A
12		TWORTHINESS.	379
	12.1	Credit Requirements.	379
	12.2	Review of Creditworthiness.	397
	12.3	Posting and Releases of Financial Security.	398
	12.4	Calculation of Ongoing Financial Security Requirements.	399
	12.5	CAISO Enforcement Actions Regarding Under-Secured Market Participants.	
	12.6	Credit Obligations Applicable to CRRs.	403
	12.7	Credit Obligation for New Responsible Utilities for RMR Costs.	406A

13	DISPU	TE RESOLUTION.	408
	13.1	Applicability.	408
	13.2	Negotiation and Mediation.	409
	13.3	Arbitration.	411
	13.4	Appeal of Award.	418
	13.5	Allocation of Awards Payable by or to the CAISO.	420
14	FORCE	E MAJEURE INDEMNIFICATION AND LIMITATIONS ON LIABILITY.	422
	14.1	Uncontrollable Forces.	422
	14.2	Responsibilities of Affected Entity.	422
	14.3	Strikes, Lockouts or Labor Disputes.	422
	14.4	Market Participant's Indemnity.	423
	14.5	Limitation on Liability.	423
	14.6	Potomac Economics, Ltd. Limitation Of Liability.	423
15	REGUI	LATORY FILINGS.	424
16	<b>EXISTI</b>	NG CONTRACTS.	425
	16.1	Continuation of Rights and Obligations of Non-Participating TOs	
		Under Existing Contracts.	425
	16.2	[NOT USED]	427
	16.3	[NOT USED]	427
	16.4	Transmission Rights and Transmission Curtailment Instructions.	427
	16.5	Treatment of Existing Contracts for Transmission Service.	434
	16.6	Valid ETC Self-Schedules.	436
	16.7	[NOT USED]	439
	16.8	[NOT USED]	439
	16.9	The HASP.	439
	16.10	The CAISO's Real-Time Process.	440
	16.11	Inter-Balancing Authority Area Changes to Bids that Rely	
		on Existing Rights.	440
	16.12	Intra-Balancing Authority Area Changes to Schedules that Rely	
		on Existing Rights.	441
17	Transr	nission Ownership Rights (TORs).	442
	17.1	Transmission Rights and Transmission Curtailment Instructions.	442
	17.2	Treatment of TORs.	448
	17.3	Valid TOR Self-Schedules.	450
	17.4	The HASP.	453
	17.5	The CAISO's Real-Time Process.	454
	17.6	Inter-Balancing Authority Area Changes to Bids that Rely on TORs.	454
	17.7	Intra-Balancing Authority Area Changes to Schedules that Rely on TORs.	454
	17.8	Continuation of Rights and Obligations of Non-Participating TOs	
		Regarding TORs and Under Existing Contracts Applicable to TORs.	455
	17.9	Conversion of Participating TOs' TORs and Rights and Obligations	
		Under Existing Contracts Applicable to TORs.	456
	17.10	TOR Operational Obligations.	456
18	[NOT U		457-466
19	DEMA	ND FORECASTS.	467
	19.1	Scheduling Coordinator and Load Serving Entity Demand Forecast	
		Responsibilities.	467
	19.3	[NOT USED]	467
20	CONFI	DENTIALITY.	468
	20.1	CAISO	468
	20.2	Confidential Information.	468
	20.3	Other Parties.	470
	20.4	Disclosure.	470
	20.5	Confidentiality.	475
21	[NOT U		476

22	MISCE	LLANEOUS.	477
	22.1	Audits.	477
	22.2	Assignment.	480
	22.3	Term and Termination.	480
	22.4	Notice.	480
	22.5	Waiver.	482
	22.6	Staffing and Training To Meet Obligations.	482
	22.7	Accounts and Reports.	482
	22.8	Applicable Law and Forum.	482
	22.9	Consistency with Federal Laws and Regulations.	483
	22.10	[NOT USED]	484
	22.11	Operating Procedures and Business Practice Manuals Development	
		and Amendment Process.	484
	22.12	[NOT USED]	490A
	22.13	Scheduling Responsibilities and Obligations.	490A
ARTIC	LE II – T	RANSMISSION SERVICE	491
23		GORIES OF TRANSMISSION CAPACITY.	491
24	TRANS	SMISSION EXPANSION.	492
	24.1	Determination of Need for Proposed Transmission Projects.	492
	24.2	Transmission Planning and Coordination.	503
	24.3	Obligation to Construct Transmission Projects Included in	
		Transmission Plan.	508C
	24.4	Participating TO Study Obligation.	517
	24.5	Operational Review.	517
	24.6	State and Local Approval and Property Rights.	517
	24.7	WECC and Regional Coordination.	518 548
	24.8	Regional and Sub-Regional Planning Process.	518 520
	24.9 24.10	Economic Planning Studies. Cost Responsibility for Transmission Additions or Upgrades.	520 520A
	24.10	Ownership of and Charges for Expansion Facilities.	520A 522
		Expansion by Local Furnishing Participating TOs.	522
25		CONNECTION OF GENERATING UNITS AND GENERATING	322
20		TIES TO THE CAISO CONTROLLED GRID.	523
	25.1	Applicability.	523
	25.2	•••	525
	25.3	Maintenance of Encumbrances.	525
26		SMISSION RATES AND CHARGES.	526
	26.1	Access Charges.	526
	26.2	Tracking Account.	533
	26.3	Addition of New Facilities After CAISO Implementation.	534
	26.4	Effect on Tax-Exempt Status.	534
	26.5	Transition Mechanism.	534
	26.6	Location Constrained Resource Interconnection Facilities.	535
		MARKET OPERATIONS	536
27		MARKETS AND PROCESSES.	536
	27.1	Locational Marginal Pricing.	536
	27.2	Load Aggregation Points (LAP).	538C
	27.3	Trading Hubs.	539
	27.4	Optimization in the CAISO Markets Processes.	540
	27.5	Full Network Model.	541
	27.6 27.7	State Estimator. Constrained Output Generators.	544 545
	ZI.I	CUISHAIHEU CUIDUL GEHEIALUIS.	545

28	INTER	-SC TRADES	548
	28.1	INTER-SC TRADES OF ENERGY	548
	28.2	Inter-SC Trades Of Ancillary Services.	552
	28.3	Inter-SC Trades Of IFM Load Uplift Obligation.	553
29	[NOT I	JSED]	555-564
30	BIDS,	INCLUDING SELF-SCHEDULES, SUBMISSION FOR	
	ALL C	AISO MARKETS	565
	30.1	Bids, Including Self-Schedules.	565
	30.2	Bid Types.	566
	30.3	[NOT USED]	566
	30.4	Election for Start-Up Costs and Minimum Load Costs.	566
	30.5	Bidding Rules.	567
	30.6	[NOT USED]	578
	30.7	Bid Validation.	578
	30.8	Prohibition on Bidding Across Out-of-Service Transmission	
		Paths at Scheduling Points.	588
31	Day-A	head Market.	589
	31.1	Bid Submission and Validation in the Day-Ahead Market.	589
	31.2	Market Power Mitigation and Reliability Requirement	
	_	Determination (MPM-RRD).	589
	31.3	Integrated Forward Market.	592
	31.4	CAISO Market Adjustments to Non-priced Quantities in the IFM	598
	31.5	Residual Unit Commitment.	599
	31.6	Timing of Day-Ahead Scheduling.	610
	31.7	Extremely Long-Start Commitment Process.	612
32	[NOT I		616-625
33		-AHEAD SCHEDULING PROCESS (HASP).	626
	33.1	Submission of Bids for the HASP and RTM.	626A
	33.2	The HASP Optimization.	627
	33.3	Treatment of Self-Schedules in HASP.	627
	33.4	MPM-RRD for the HASP and the RTM.	628
	33.5	[NOT USED]	629
	33.6	HASP Results.	629
	33.7	Ancillary Services in the HASP and the RTUC.	629
	33.8	HASP Prices for HASP Intertie Schedules and HASP AS Awards.	629
	33.9	Cessation of the HASP.	630
34		TIME MARKET.	631
<b>U</b> -T	34.1	Inputs to the Real-Time Market.	632
	34.2	Real-Time Unit Commitment.	632
	34.3	Real-Time Dispatch.	634A
	34.4	Short-Term Unit Commitment.	636
	34.5	General Dispatch Principles.	637
	34.6	Dispatch Instructions for Generating Units and Participating Load.	639A
	34.7	Utilization of the Energy Bids.	640
	34.8	Dispatch of Energy From Ancillary Services.	640
	34.9	Exceptional Dispatch.	642
	34.10	Uneconomic Adjustments in the RTM.	644
	34.11		645
	34.11	Means of Dispatch Communication.	649
		Metered Subsystems.	
	34.13	Treatment of Resource Adequacy Capacity in the Real-Time Market.	649
	34.14	Real-Time Operational Activities in the Hour Prior to the Settlement Period	
	34.15	Rules For Real-Time Dispatch of Imbalance Energy Resources.	650 653
	34.16	Ancillary Services in the Real-Time Market.	652
	34.17	Dispatch Information and Instructions.	658
	34.18	[NOT USED]	660
	34.19	Pricing Imbalance Energy.	660

35	Market	Validation and Price Correction.	663
	35.1	Market Validation.	663
	35.2	Timing of the Price Correction Process.	663
	35.3	Finality of Prices Subject to the Price Correction Process.	663A
	35.4	Scope of Price Corrections.	664
	35.5	Price Correction Methodology.	664
	35.6	Weekly Price Correction Report.	665
36	Conge	stion Revenue Rights.	666
	36.1	Overview of CRRs and Procurement of CRRs.	666
	36.2	Types of CRR Instruments.	666
	36.3	CRR Specifications.	668
	36.4	FNM for CRR Allocation and CRR Auction.	669
	36.5	Candidate CRR Holder and CRR Holder Requirements.	672A.01
	36.6	[NOT USED]	673
	36.7	Bilateral CRR Transactions.	673
	36.8	CRR Allocation.	675
	36.9	CRR Allocation to OBAALSEs.	701
	36.10	CRR Allocation to Metered Subsystems.	707
	36.11	CRR Allocation to Merchant Transmission Facilities.	707
	36.12	[NOT USED]	710
	36.13	CRR Auction.	710
	36.14	CRR Implications of Establishing New IBAAs	
		or Modifying Existing IBAAs	714A
37		of Conduct.	715
	37.1	Objectives, Definitions, and Scope.	715
	37.2	Comply with Operating Orders.	716
	37.3	Submit Feasible Energy Bids, RUC Capacity Bids, Ancillary	
		Service Bids, and Submissions to Self-Provide an Ancillary Service.	719
	37.4	Comply with Availability Reporting Requirements.	719A
	37.5	Provide Factually Accurate Information.	721
	37.6	Provide Information Required by CAISO Tariff.	723
	37.7	Prohibition of Electric Energy Market Manipulation.	725
	37.8	Process for Investigation and Enforcement.	725
	37.9	Administration of Sanctions.	728
	37.10	Miscellaneous.	732
	37.11	Method for Calculating Penalties.	732
38		t Monitoring.	737
	38.1	Objectives and Scope.	737
	38.2	Practices Subject to Scrutiny – General.	738
	38.3	Scrutiny of Market Participant Changes Potentially Affecting	700
	00.4	Market Structure.	739
00	38.4	Response Action by CAISO.	739
39		Power Mitigation Procedures.	<b>742</b>
	39.1	No Title	742
	39.2	Conditions for the Imposition of Mitigation Measures.	742
	39.3	Categories of Conduct that May Warrant Mitigation.	743
	39.4	Sanctions for Physical Withholding.	745
	39.5	FERC-Ordered Measures.	745
	39.6	Rules Limiting Certain Energy, Ancillary Services, And	715
	20.7	Residual Unit Commitment Bids.	745 747
	39.7 39.8	Local Market Power Mitigation for Energy Bids. Eligibility for Bid Adder.	747 754
	39.6 39.9	CRR Monitoring and Affiliate Disclosure Requirements.	754 756
	39.10	Mitigation of Exceptional Dispatches of Resources	756 756
	JJ. 1U	minganon or Exceptional Dispatches of Nesoultes	100

<b>ARTICL</b>	.E V – R	RESOURCE ADEQUACY	757
40	RESOL	JRCE ADEQUACY DEMONSTRATION FOR ALL SCHEDULING	
	COORI	DINATORS BIDDING AND SCHEDULING DEMAND IN THE	
	<b>CAISO</b>	BALANCING AUTHORITY AREA.	757
	40.1	Applicability.	757
	40.2	Information Requirements Regarding Resource Adequacy Programs.	758
	40.3	Local Capacity Area Resource Requirements Applicable to	
		Scheduling Coordinators for All Load Serving Entities.	763
	40.4	General Requirements on Resource Adequacy Resources.	771
	40.5	Requirements Applicable to Modified Reserve Sharing LSEs Only.	785B
	40.6	Requirements Applicable to Scheduling Coordinators for Reserve	
		Sharing LSEs and Resources Providing Resource Adequacy Capacity	
		to Reserve Sharing LSEs.	789
	40.7	Compliance.	796
	40.8	CAISO Default Qualifying Capacity Criteria.	798
41	Procur	ement of RMR Generation.	803
	41.1	Procurement of Reliability Must-Run Generation by the CAISO.	803
	41.2	No Title	803
	41.3	No Title	803
	41.4	No Title	804
	41.5	RMR Dispatch.	804
	41.6	Reliability Must-Run Charge.	806
	41.7	Responsibility for Reliability Must-Run Charge.	811
	41.8	Responsibility for Reliability Must-Run Charges Associated	
		with SONGS.	811
	41.9	Exceptional Dispatch of Condition 2 RMR Units.	811
42	<b>Assura</b>	ince of Adequate Generation and Transmission to meet	
	<b>Applica</b>	able Operating and Planning Reserve.	813
	42.1	Generation Planning Reserve Criteria.	813
43	Interim	Capacity Procurement Mechanism.	815
	43.1	Designation.	815
	43.2	Terms of ICPM Designation.	819
	43.3	Selection of Eligible Capacity under the ICPM.	821
	43.4	Obligations of a Resource Designated under the ICPM.	822
	43.5	Reports.	823
	43.6	Payments to Resources Designated Under the ICPM.	826
	43.7	Allocation of ICPM Capacity Payment Costs.	831
	43.8	Crediting of ICPM Capacity.	833
44	<b>Tempo</b>	rary Suspension of CAISO Tariff.	835
	44.1	Authority to Suspend Temporarily the Current Version of the	
		CAISO Tariff and Reversion to Previously Effective ISO Tariff.	835
	44.2	Notice of Effectiveness and Termination of Temporary Suspension.	835
	44.3	Preconditions to Suspension.	836
Append		Master Definitions Supplement	837
Append		Pro Forma Agreements	967
Append		Locational Marginal Price	1177
Append		Black Start Generating Units	1183
Append		Verification of Submitted Data for Ancillary Services	1185
Append		Rate Schedules	1188
Append		Pro Forma Reliability Must-Run Contract	1224
Append		[NOT USED]	1379
Append		Station Power Protocol	1389
Append		[NOT USED]	1397
Append		Ancillary Service Requirements Protocol (ASRP)	1407
Append		Methodology to Assess Available Transfer Capability	1424
Append	M xit	Procedures for Addressing Parallel Flows	1432

[NOT USED]	1442
[NOT USED]	1452
CAISO Department of Market Monitoring and	
Market Surveillance Committee	1462
Eligible Intermittent Resources Protocol (EIRP)	1473
UDP Aggregation Protocol	1484
Small Generator Interconnection Procedures (SGIP)	1489
Small Generator Interconnection Agreement (SGIA)	1546
Standard Large Generator Interconnection Procedures (LGIP)	1584
Standard Large Generator Interconnection Agreement (LGIA)	1679
Interconnection Procedures in Effect Prior to July 1, 2005	
("Amendment 39 Procedures")	1760
Dynamic Scheduling Protocol (DSP)	1771
Large Generator Interconnection Procedures (LGIP)	
for Interconnection Requests in a Queue Cluster Window	1779
Large Generator Interconnection Agreement (LGIA)	
for Interconnection Requests in a Queue Cluster Window	1859
	[NOT USED] CAISO Department of Market Monitoring and Market Surveillance Committee Eligible Intermittent Resources Protocol (EIRP) UDP Aggregation Protocol Small Generator Interconnection Procedures (SGIP) Small Generator Interconnection Agreement (SGIA) Standard Large Generator Interconnection Procedures (LGIP) Standard Large Generator Interconnection Agreement (LGIA) Interconnection Procedures in Effect Prior to July 1, 2005 ("Amendment 39 Procedures") Dynamic Scheduling Protocol (DSP) Large Generator Interconnection Procedures (LGIP) for Interconnection Requests in a Queue Cluster Window Large Generator Interconnection Agreement (LGIA)