January 15, 2015

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 November/December report covering Market Disruption reportable events under Section 7.7.15 of its FERC Electric Tariff (ISO Tariff) that occurred from November 16, 2014 to December 15, 2014.[1]

Please contact the undersigned with any questions.

>   Respectfully submitted,
>
>   **By: */s/ Anna A. McKenna***
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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.

Market Disruption Report November 16, 2014 to December 15, 2014

January 15, 2015

ISO Market Quality and Renewable Integration

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), the Real-Time Market, which includes the Hour-Ahead Scheduling Process (HASP), Fifteen Minute Market (FMM), and the 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]

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[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.

failures in comparison to the December 2014 Report. RTD failures accounted for approximately 77 percent of all of the Market Disruptions during this reporting period.

The following dates were when the most failures occurred. On November 17, there were 2 FMM and 7 RTD due to the fall back to the Alhambra control center. On November 19, there were 4 FMM, 2 HASP and 9 RTD failures due to a patch promotion. On December 8, there were 6 FMM, 2 HASP and 17 RTD failures because application was timing out and not broadcasting to ADS due to no bids.

ATTACHMENT A

California Independent System Operator Corporation Market Disruption Report January 15, 2015				
Table 3: 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	11/16/2014	10	8	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
2	11/16/2014	10	9	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
3	11/16/2014	10	10	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
4	11/16/2014	10	11	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
5	11/17/2014	3	6	RTD	RTD failed due to application time-out. Loss clearing payload and LMP filled from previous good interval.
6	11/17/2014	14	4	FMM	FMM did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval. Due to fall back
7	11/17/2014	14	7	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval. Due to fall back

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
8	11/17/2014	14	8	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval. Due to fall back
9	11/17/2014	14	9	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval. Due to fall back
10	11/17/2014	14	10	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval. Due to fall back
11	11/17/2014	14	11	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval. Due to fall back
12	11/17/2014	15	1	FMM	FMM did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval. Due to fall back
13	11/17/2014	22	9	RTD	RTD was run in manual due to patching and Planned maintenance.
14	11/19/2014	15	9	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
15	11/19/2014	15	11	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
16	11/19/2014	15	12	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
17	11/19/2014	16	1	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous 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
18	11/19/2014	16	1	FMM	FMM Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
19	11/19/2014	16	2	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
20	11/19/2014	16	2	HASP	HASP did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval. No bids due to DNS change.
21	11/19/2014	16	3	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
22	11/19/2014	16	3	FMM	FMM did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval. No bids due to DNS change.
23	11/19/2014	21	4	FMM	FMM was run in manual patching and Planned maintenance.
24	11/19/2014	21	7	RTD	RTD was run in manual patching and Planned maintenance
25	11/19/2014	21	8	RTD	RTD was run in manual patching and Planned maintenance
26	11/19/2014	21	9	RTD	RTD was run in manual patching and Planned maintenance
27	11/19/2014	22	1	FMM	FMM did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and

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
					resource awards for this interval. Successful run after patching.
28	11/19/2014	22	2	HASP	HASP did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval. Successful run after patching.
29	11/24/2014	10	11	RTD	RTD failed due to application time-out. Loss clearing payload and LMP filled from previous good interval. Software failure / Unplanned outage
30	11/24/2014	11	9	RTD	RTD failed due to application time-out. Loss clearing payload and LMP filled from previous good interval. Software failure / Unplanned outage
31	11/24/2014	11	10	RTD	RTD failed due to application time-out. Loss clearing payload and LMP filled from previous good interval. Software failure / Unplanned outage
32	11/24/2014	11	11	RTD	RTD failed due to application time-out. Loss clearing payload and LMP filled from previous good interval. Software failure / Unplanned outage
33	11/24/2014	11	12	RTD	RTD failed due to application time-out. Loss clearing payload and LMP filled from previous good interval. Software failure / Unplanned outage
34	11/24/2014	12	1	RTD	RTD failed due to application time-out. Loss clearing payload and LMP filled from previous good interval. Software failure / Unplanned outage
35	11/24/2014	12	1	FMM	FMM failed due to application time-out. Loss clearing payload and LMP filled from previous good interval. Software failure / Unplanned outage
36	11/25/2014	14	4	FMM	FMM did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval. Due to fall forward.

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
37	11/25/2014	14	7	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval. Due to fall forward.
38	11/25/2014	14	8	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval. Due to fall forward.
39	11/26/2014	15	4	FMM	FMM did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval. Due to patching.
40	11/26/2014	15	7	RTD	RTD was run in manual, patching and Planned maintenance
41	11/26/2014	15	8	RTD	RTD was run in manual, patching and Planned maintenance
42	11/26/2014	20	11	RTD	RTD failed due to application time-out. Loss clearing payload and LMP filled from previous good interval.
43	11/26/2014	20	12	RTD	RTD failed due to application time-out. Loss clearing payload and LMP filled from previous good interval.
44	11/28/2014	12	6	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
45	11/28/2014	12	7	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
46	11/28/2014	12	8	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous 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
47	11/28/2014	12	9	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
48	11/28/2014	12	10	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
49	11/28/2014	12	11	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
50	11/30/2014	20	4	FMM	FMM did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval.
51	11/30/2014	20	7	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
52	11/30/2014	20	8	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
53	12/1/2014	3	6	RTD	RTD failed due to application time-out. Loss clearing payload and LMP filled from previous good interval.
54	12/1/2014	3	8	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
55	12/2/2014	16	4	FMM	FMM did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval.
56	12/2/2014	16	7	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous 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
57	12/2/2014	16	8	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
58	12/3/2014	3	6	RTD	RTD failed due to application time-out. Loss clearing payload and LMP filled from previous good interval.
59	12/3/2014	21	6	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
60	12/5/2014	13	12	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
61	12/5/2014	14	2	HASP	HASP did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval.
62	12/5/2014	21	5	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
63	12/6/2014	3	6	RTD	RTD failed due to application time-out. Loss clearing payload and LMP filled from previous good interval.
64	12/7/2014	3	6	RTD	RTD failed due to application time-out. Loss clearing payload and LMP filled from previous good interval.
65	12/7/2014	17	10	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
66	12/8/2014	4	1	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous 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
67	12/8/2014	4	2	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
68	12/8/2014	4	2	HASP	HASP did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval.
69	12/8/2014	4	3	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
70	12/8/2014	4	3	FMM	FMM did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval.
71	12/8/2014	4	4	RTD	RTD Broadcast failed. Loss clearing payload and LMP filled from previous good interval.
72	12/8/2014	4	4	FMM	FMM did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval.
73	12/8/2014	4	9	RTD	RTD failed due application problem. Loss clearing payload and LMP filled from previous good interval.
74	12/8/2014	4	10	RTD	RTD failed due application problem. Loss clearing payload and LMP filled from previous good interval.
75	12/8/2014	4	11	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous 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
76	12/8/2014	4	12	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
77	12/8/2014	5	1	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
78	12/8/2014	5	1	FMM	FMM did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval.
79	12/8/2014	5	2	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
80	12/8/2014	5	2	HASP	HASP did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval.
81	12/8/2014	5	3	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
82	12/8/2014	5	3	FMM	FMM did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval.
83	12/8/2014	5	4	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
84	12/8/2014	5	4	FMM	FMM did not run due to application problem. 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
85	12/8/2014	5	5	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
86	12/8/2014	5	6	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
87	12/8/2014	5	7	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
88	12/8/2014	19	4	FMM	FMM did not run due to application problem. This interval was filled either automatically or interactively. MQS published Pnode clearing and resource awards for this interval.
89	12/8/2014	19	7	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
90	12/8/2014	19	8	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
91	12/10/2014	18	9	RTD	RTD failed due to application time-out. Loss clearing payload and LMP filled from previous good interval.
92	12/10/2014	20	7	RTD	RTD was run in manual Planned maintenance
93	12/12/2014	20	7	RTD	RTD was run in manual Planned maintenance
94	12/15/2014	20	4	FMM	FMM was run in manual

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
95	12/15/2014	20	7	RTD	RTD was run in manual
96	12/15/2014	20	8	RTD	RTD was run in manual
97	12/15/2014	23	3	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval.
98	12/15/2014	24	1	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval. Software failure / Unplanned outage
99	12/15/2014	24	11	RTD	RTD did not run due to application problem. Loss clearing payload and LMP filled from previous good interval. Software failure / Unplanned outage

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.
Fifteen Minute Market (FMM) 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.
Fifteen Minute Market (FMM) 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.

Fifteen Minute Market (FMM) 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.
Fifteen Minute Market (FMM) Interval 4: The fourth of a series of four market runs conducted every Trading Hour. This interval is for the Fifteen Minute Market 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 January 2015.

/s/ Anna Pascuzzo

Anna Pascuzzo