

Imbalance Conformance Enhancements – Draft Tariff Language

RTM Bids including those from Participating Intermittent Resources. The adjustments listed in Sections 31.5.3.1 to 31.5.3.1 to 31.5.3.1 of will be made to the CAISO Forecast Of CAISO Demand to account for the conditions as provided therein. Adjustments may be made on a RUC Zone basis to ensure that RUC results in adequate local capacity procurement. The RUC procurement target setting procedure is designed to meet the requirements of reliable grid operation without unnecessary over procurement of RUC Capacity or over-commitment of resources. Additional detail on the process for setting the RUC procurement target is specified in the Business Practice Manuals.

31.5.3.1 CAISO Operator Review & Adjustment

The CAISO Operator reviews the CAISO Forecast of CAISO Demand and all calculated adjustments as provided in Sections 31.5.3.1_12 through 31.5.3.1_6. The CAISO Operator shall accept, modify, or reject such adjustments based on Good Utility Practice. If the CAISO Operator determines it must modify the <u>CAISO Forecast Of CAISO Demander reject adjustments</u>, the CAISO Operator shall log sufficient information as to reason, Operating Hour, and specific modification(s) made to the <u>CAISO Forecast Of</u>

CAISO Demandcalculated adjustments.

31.5.3.1.1 RUC Net Short Conditions

The CAISO Operator may conform the CAISO Forecast Of CAISO Demand in the event the CAISO Operator has determined that additional capacity may consider to be procured in RUC to meet anticipated Real-Time system conditions. The CAISO Operator will consider factors such as CAISO Forecast Of CAISO Demand error, dramatic weather pattern that is expected to continue or change will the next Trading Day, generator outage resulting in different Supply availability than was bid into the Day-Ahead Market, fire danger that threatens transmission lines and/or corridors, expectation that Generation committed in the IFM will not meet the anticipated Demand, and Reliability Coordinator next-day analysis of system conditions.

31.5.3.1.2 Demand Response Adjustments.

The CAISO shall account for Demand response that is clearly communicated to the CAISO as certain to be curtailed for the next Trading Day only for the two following types of Demand response: (1) Demand response triggered by a staged System Emergency event; and (2) Demand response that is triggered by a price or an event known in advance. If an LSE informs the CAISO of anticipated Demand response

