## Priorities for Internal Demand, Export, and Wheeling Through Transactions

**31.4 CAISO Market Adjustments to Non-Priced Quantities in the IFM**

All Self-Schedules are respected by SCUC to the maximum extent possible and are protected from curtailment in the Congestion Management process to the extent that there are Effective Economic Bids that can relieve Congestion. If all Effective Economic Bids in the IFM are exhausted, resource Self-Schedules between the resource’s Minimum Load as defined in the Master File, or if applicable, as modified pursuant to Section 9.3.3, and the first Energy level of the first Energy Bid point will be subject to adjustments by the CAISO Market optimization based on the scheduling priorities listed below. This functionality of the optimization software is implemented through the setting of scheduling parameters as described in Section 27.4.3 and specified in Section 27.4.3.1 and the Business Practice Manuals. Through this process, imports and exports may be reduced to zero, Demand Bids may be reduced to zero, Price Taker Demand (LAP load) may be reduced, and Generation may be reduced to a lower operating limit (or Regulation Limit) (or to a lower Regulation Limit plus any qualified Regulation Down award or Self-Provided Ancillary Services, if applicable). Any Self-Schedules below the Minimum Load level are treated as fixed Self-Schedules and are not subject to these adjustments for Congestion Management. The provisions of this section shall apply only to the extent they do not conflict with any MSS Agreement. In accordance with Section 27.4.3.5, the resources submitted in valid TOR, ETC or Converted Rights Self-Schedules shall not be adjusted in the IFM in response to an insufficiency of Effective Economic Bids. Thus the adjustment sequence for the IFM from highest priority (last to be adjusted) to lowest priority (first to be adjusted), is as follows:

(a) Reliability Must Run (RMR) Generation pre-dispatch reduction;

(b) Day-Ahead TOR Self-Schedules reduction (balanced demand and supply reduction);

(c) Day-Ahead ETC and Converted Rights Self-Schedules reduction; different ETC priority levels will be observed based upon global ETC priorities provided to the CAISO by the Responsible PTOs;

(d) Internal Transmission Constraint relaxation for the IFM pursuant to Section 27.4.3.1;

(e) The export leg of Priority Wheeling Through Self-Schedules; Self-Schedules of CAISO Demand reduction subject to Section 31.3.1.3; exports explicitly identified in a Resource Adequacy Plan to be served by Resource Adequacy Capacity explicitly identified and linked in a Supply Plan to the exports; and Self-Schedules of exports at Scheduling Points explicitly sourced by non-Resource Adequacy Capacity;

(f) Self-Schedules of exports at Scheduling Points not explicitly sourced by non-Resource Adequacy Capacity, except those exports explicitly identified in a Resource Adequacy Plan to be served by Resource Adequacy Capacity explicitly identified and linked in a Supply Plan to the exports as set forth in Section 31.4(d), and the export leg of non-Priority Wheeling Through Self-Schedules;

(g) Day-Ahead Regulatory Must-Run Generation and Regulatory Must-Take Generation reduction;

(h) Other Self-Schedules of Supply reduction, and the import leg of Priority Wheeling Through Self-Schedules; and

(i) The import leg of non-Priority Wheeling Through Self-Schedules.

## Section 34.12

**34.12 CAISO Market Adjustment to Non-Priced Quantities in the RTM**

All Self-Schedules are respected by the SCED and SCUC to the maximum extent possible and are protected from curtailment in the Congestion Management process to the extent that there are effective Economic Bids that can relieve Congestion. If all Effective Economic Bids for the RTM are exhausted, all Self-Schedules between the Minimum Load and the lowest Energy level of the first Energy Bid point will be subject to uneconomic adjustments based on assigned scheduling priorities. This functionality of the optimization software is implemented through the setting of scheduling parameters as described in Section 27.4.3 and specified in Section 27.4.3.1 and the BPMs. Through this process, imports and exports may be reduced to zero, Demand may be reduced to zero, and Generation may be reduced to a lower operating limit (or Regulation Limit) (or to a lower Regulation Limit plus any qualified Regulation Down Award or Self-Provided Ancillary Services, if applicable). Any Self-Schedules below the Minimum Load level are treated as fixed Self-Schedules and are not subject to uneconomic adjustments for Congestion Management but may be subject to decommitment via an Exceptional Dispatch if necessary as a last resort to relieve Congestion that could not otherwise be managed.

**34.12.1 Increasing Supply**

The scheduling priorities as defined in the RTM optimization to meet the need for increasing Supply as reflected from higher to lower priority are as follows:

(a) CAISO Forecast of CAISO Demand; the export leg of a Priority Wheeling Through Self-Schedules; exports explicitly identified in a Resource Adequacy Plan backed by Resource Adequacy Capacity explicitly identified and linked in a Supply Plan to the exports; or Self-Schedules for exports at Scheduling Points backed by Generation from non-Resource Adequacy Capacity or from non-RUC Capacity;

(b) Day-Ahead RUC schedules that are Self-Schedules of exports at Scheduling Points not backed by Generation from non-Resource Adequacy Capacity, or the Day-Ahead RUC Schedules that are the export leg of a non-Priority Wheeling Through Self-Schedule;

(c) Real-time market Self-Schedules of exports at Scheduling Points not backed by Generation from non-Resource Adequacy Capacity or non-RUC capacity, or the Real-Time market Self-Schedules that are the export leg of a non-Priority Wheeling Through Self-Schedule

 (d)

and

(e) Contingency Only Operating Reserve if activated by Operator to provide Energy (as indicated by the Contingency Flag and the Contingency condition).

**34.12.2 Decreasing Supply**

The scheduling priorities as defined in the RTM optimization to meet the need for decreasing Supply as reflected from higher to lower priority are as follows:

(a) Non-Participating Load increase;

(b) Reliability Must Run (RMR) Schedule (Day-Ahead manual pre-dispatch or Manual RMR Dispatches or Dispatches that are flagged as RMR Dispatches following the MPM, for Legacy RMR Units and Exceptional Dispatch for RMR Resources process);

(c) Transmission Ownership Right (TOR) Self-Schedule;

(d) Existing Rights (ETC) Self-Schedule;

(e) Regulatory Must-Run and Regulatory Must-Take (RMT) Self-Schedule;

(f) Participating Load increase;

(g) Day-Ahead Supply Schedule;

(h) Self-Schedule Hourly Block; and

(i) Import leg of a non-Priority Wheeling Self-Schedule.

These dispatch priorities as defined in the RTM optimization may be superseded by operator actions and procedures as necessary to ensure reliable operations.

**Section 30.5.1**

**30.5.1 General Bidding Rules**

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(q) A Scheduling Coordinator may submit a Self-Schedule Hourly Block for the RTM as an import to or an export from the CAISO Balancing Authority Area and may also submit Self-Scheduled Hourly Blocks for Ancillary Services imports. Such a Bid shall be for the same MWh quantity for each of the four (4) fifteen (15)-minute intervals that make up the applicable Trading Hour.

(r) A Scheduling Coordinator may submit a Variable Energy Resource Self-Schedule for the RTM can be submitted from a Variable Energy Resource. A Scheduling Coordinator can use either the CAISO forecast for Expected Energy in the RTM or can provide its own forecast for Expected Energy pursuant to the requirements specified in Section 4.8.2. The Scheduling Coordinator must indicate in the Master File whether it is using its own forecast or the CAISO forecast for its resource in support of the Variable Energy Self-Schedule. The Scheduling Coordinator is not required to include the same MWh quantity for each of the four (4) fifteen (15)-minute intervals that make up the applicable Trading Hour for the Variable Energy Resource Self-Schedule include. If an external Variable Energy Resource that is not using a forecast of its output provided by the CAISO submits a Variable Energy Resource Self-Schedule and the Expected Energy is not delivered in the FMM, the Scheduling Coordinator for the Variable Energy Resource will be subject to the Under/Over Delivery Charge as described in Section 11.31. Scheduling Coordinators for Dynamically Scheduled Variable Energy Resources that provide the CAISO with a two (2)-hour rolling forecast with five (5)-minute granularity can submit Variable Energy Resource Self-Schedules.

 \* \* \* \* \*

(v) The CAISO will notify a Scheduling Coordinator that its resource is designated to support Self-Schedules of exports at Scheduling Points served by Generation from non-Resource Adequacy Capacity. A Scheduling Coordinator shall confirm that only an out-of-balancing area load serving entity has a right to the capacity being exported.  The Scheduling Coordinator shall further confirm its supporting resource is reasonably expected to be available and provide the same MWh quantity for each of the four (4) fifteen (15) minute intervals in the applicable Trading Hour based on all information known or that should have been known to it at the time it confirmed the designation. A resource can satisfy this requirement if its forecasted quantity for each of the four (4) fifteen (15) minute intervals is equal to or greater than the designated quantity. The designated capacity shall not be capacity from a resource with Energy-Only Delivery Status.

(w) A Scheduling Coordinator for a resource supporting Self-Schedules of exports at Scheduling Points served by Generation from non-Resource Adequacy shall submit a RUC availability bid for a quantity equal to or greater than the quantity of the export. The Scheduling Coordinator must submit a $0/MWh Bid up to the export’s Self-Scheduled quantity. The Scheduling Coordinator shall offer the capacity into the Real-Time Market in order to support real-time Self-Schedules of exports at Scheduling Points served by Generation from non-Resource Adequacy Capacity.

(x) A Scheduling Coordinator shall not schedule an import to support an export transaction. The transaction is properly scheduled as a Wheeling Through transaction.

\* \* \* \* \*

**Appendix A**

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**Priority Wheeling Through Self-Schedule**

A Self-Scheduled Wheel Through that is supported by (1) a firm power supply contract to serve load in another balancing authority area that was entered into prior to April 23, 2021, and (2) monthly firm transmission under applicable open access transmission tariffs, or comparable transmission tariffs, to deliver the Wheel Through Energy from the sink to the CAISO border during all of the hours covered by the firm power supply contract.