



## GENERAL SESSION MINUTES

## Operations

### Committee Meeting

September 7, 2005

ISO Headquarters

Folsom, California

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Committee Chairman, Ed Cazalet, called the meeting to order. Roll call was taken and the presence of a quorum was noted.

### ATTENDANCE

The following Committee members were in attendance:

Ed Cazalet

Tim Gage

The following Board members were in attendance:

Mason Willrich

Elizabeth Lowe

### GENERAL SESSION

The following agenda items were discussed in General Session:

### PUBLIC COMMENT

**Brian Theaker**, Regional Governmental Affairs Manager, Williams Power Company, spoke regarding the proposal to amend the ISO Tariff to include a requirement to schedule 95% of demand in the Day-ahead Market.

**Carolyn Kehrein**, commenting on behalf of the Energy Users Forum (EUF), end users, and end user trade associations, provided a summary and recommendation regarding ISO's Day-ahead Scheduling practices. She felt that little opportunity for involvement or input by end users on this issue had been considered. In addition, Ms. Kehrein provided comments of the EUF on CRR Allocation stating that the current proposal is not equitable and is overly complicated.

### APPROVAL OF GENERAL SESSION MINUTES

Governor Gage moved for the approval of General Session Minutes from June 15, 2005. Motion seconded by Governor Cazalet and approved, 2-0-0.

## MARKET REDESIGN & TECHNOLOGY UPGRADE (MRTU) PROGRAM UPDATE

### REVIEW PROGRAM STATUS

Brian Rahman, ISO Manager of Program Office and MRTU Program, presented an update on the progress of the various MRTU projects. Overall, the program continues to progress well. Settlements continues to be an area of concentration. However, the team is working on potential issues to mitigate risk.

### APPROVAL OF PROPOSED TARIFF AMENDMENT TO IMPROVE DAY-AHEAD FORECASTING AND SCHEDULING PRACTICES

Mark Rothleder, ISO Principal Market Developer, presented a proposal to establish a minimum Day-ahead scheduling benchmark of 95% of forecasted load for Scheduling Coordinators representing Load Serving Entities to schedule in the Day-ahead Market. Mr. Rothleder suggested that the proposal would provide flexibility while mitigating significant underscheduling.

The ISO began to experience increased occurrences in which the total quantity of load scheduled in the Day-ahead Market was significantly less than ISO's forecasted load and ultimately actual metered load. As a result of a Federal Energy Regulatory Commission (FERC) conference convened in July 2005, the ISO undertook immediate short-term steps including the development of a Memorandum of Understanding (MOU) between the ISO and Scheduling Coordinators. The majority of Scheduling Coordinators representing Load Serving Entities have signed the MOU and have started to implement the actions identified.

Mr. Rothleder reported on Stakeholder feedback. Governor Lowe requested a matrix of Stakeholder responses. In addition, Governor Cazalet requested that he be provided the opportunity to review the Tariff language associated with the proposal prior to the Board of Governor's vote during General Session on September 8, 2005.

#### Motion

Mr. Gage:

***Moved, that the Operations Committee recommends that the ISO Board of Governors authorizes ISO Management to file a Tariff amendment at FERC to establish a Day-ahead market scheduling requirement for Scheduling Coordinators to schedule at least 95% of their forecasted load, and a reporting requirement for Scheduling Coordinators to provide the ISO a daily load forecast prior to submitting daily load schedules and actual or estimated actual load on a weekly basis for all trade days in the preceding week.***

Motion seconded by Mr. Cazalet and approved, 2-0-0.

## **MONTHLY REPORTS**

### **MARKET MONITORING REPORT**

Greg Cook, ISO Manager of Market Monitoring, presented the monthly Market Monitoring Report. Yakout Mansour, ISO President and Chief Executive Officer, advised the Committee that since the ISO realignment, Market Monitoring has been established as an independent entity. Market Monitoring has been tasked to work in an audit capacity, providing ISO Management information to effectively assess and take action.

### **TECHNOLOGY STATUS REPORT**

Report provided to Committee. No verbal comment made.

### **OPERATIONS REPORT**

Nancy Traweck, ISO Director of Operations Support, presented the monthly Operations Report. She noted that this report was the first attempt in coordinating Operations, Market Services, and Operations Support highlights within one concise medium since the ISO realignment.

### **TRANSMISSION MAINTENANCE COORDINATION COMMITTEE (TMCC) REPORT**

Armie Perez, ISO Vice President Planning and Infrastructure Development, provided the Committee an overview of the TMCC functionality. Mr. Perez stated that the TMCC was a cross-functional group chaired by Tom French, ISO Manager of Transmission Assets. The TMCC was established to help the ISO develop, review, and revise ISO Transmission Maintenance Standards. The report provided a summary of recent recommendations and activities.

### **NEW GENERAL SESSION BUSINESS ISSUES AND FUTURE AGENDA ITEMS**

None discussed.

### **CLOSING**

There being no further business, the Committee meeting was adjourned.