

Memorandum

To: ISO Board of Governors
From: Steve Berberich, President and Chief Executive Officer
Date: July 17, 2020
Re: CEO report

This memorandum does not require Board action.

ISO'S CORONAVIRUS RESPONSE

Protecting the ISO's operations and personnel from the coronavirus remains a top priority. Consistently, we remain in a very conservative operating posture with most employees continuing to work remotely and special protections and protocols in place for the control room and control room personnel. Until there is a vaccine, significant diminishment of the spread, or therapeutics that render COVID-19 relatively harmless, we expect to remain in a conservative operating posture until further notice.

To date, we have had one positive case in a contract staffer. That staffer was quarantined, adjacent staff tested, and has since tested negative for the virus. No other positive tests have been reported.

OVERALL BALANCING AREA SYSTEM CONDITIONS

Overall balancing area system conditions have been normal for this time of the year. Other than a statewide heat wave the week of June 1, loads have been moderate. However, our peak load reached 41,786 MW on Sunday, July 12, which represents our highest load so far in 2020.

Operating Instructions to not exceed their dispatch operating target were issued to several solar resources through the end of September. These were required due to resource capacities exceeding the transmission line summer ratings.

Finally, there was a Public Safety Power Shutoff (PSPS) tabletop drill with PG&E on May 12 to review refinements Pacific Gas & Electric has made to the process since last year's events. Discussions were also held with Southern California Edison and San Diego Gas and Electric to confirm their processes. In coordination with all the participating transmission owners (PTOs), the CAISO created a data template to be used by the PTOs for PSPS initiation.

RELIABILITY COORDINATOR CONDITIONS

RC West reports operating conditions consistent with seasonal weather patterns. There was a new RC West peak load set on July 11 of 110,065 MW.

RC West will be holding capacity and reserve management drills with Balancing Authorities reporting to RC West in the coming weeks to ensure reliability across the region. Additionally, all scheduled training is taking place via webinars and all training requirements are being met.

There were no Level 3 Electric Emergency Alerts during this period.

ENERGY IMBALANCE MARKET GOVERNING BODY

Please join me in congratulating new EIM Governing Body Chair Prescott and Vice Chair Decker who assumed those new roles at the June EIM Governing Body meeting.

John Prescott has served on the Western EIM Governing Body since 2016. Prior to joining the Western EIM Governing Body, Prescott was president and chief executive officer of Pacific Northwest Generating Cooperative, served as power supply and environmental affairs officer for Seattle City Light, and was vice president of power supply for Idaho Power. He will serve as Chair from July 1, 2020 to June 30, 2021.

Anita Decker joined the Western EIM Governing Body in 2019 following her retirement as the executive director of the Northwest Public Power Association. She previously served as chief operating officer for the Bonneville Power Administration, and held several positions during her 27-year career at PacifiCorp. Decker will serve as Vice Chair from July 1, 2020 to June 30, 2021.

DAY- AHEAD MARKET ENHANCEMENTS AND REGIONAL DAY-AHEAD MARKET

The ISO's policy development team has a considerable workload this year associated with the day-ahead market. In the first case, the ISO is developing proposals to enhance the day-ahead market by introducing additional products that address load and supply uncertainty from what clears the day-ahead market versus forecasted real-time. In June, we issued a revised straw proposal and held a two-day stakeholder meeting on the proposal to address prior stakeholder feedback.

For the regional day-ahead market, the first straw proposal for the extended day-ahead market initiative is scheduled to be posted this week (week of July 20) on bundle 1 issues comprised of transmission, resource sufficiency and congestion allocation. Additionally, the EIM Governance Review Committee is close to completing a set of recommendations that will be published in a white paper later this month.

RENEWABLE ENERGY PRODUCTION

A new solar peak occurred since the last Board meeting. The most recent solar peak of 12,016 MW occurred on 6/29/20 at 12:32 p.m. The most recent wind generation peak of 5,309 MW was set on May 8, 2019 at 3:50 a.m. The most recent renewable generation penetration peak was recorded on May 5, 2019 at 2:45 p.m. with 80.3% of load served by all renewables. For only wind and solar, the instantaneous peak load served was 70.4% also on May 5, 2019 at 2:46 p.m. For solar, the peak of 58.6% of load was on March 17, 2019 at 11:00 p.m., while wind was 26.4% on May 8, 2019 3:21 a.m.