

July 17, 2023

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 (CAISO) hereby submits its monthly report covering Market Disruption reportable events under Section 7.7.6 of the CAISO Tariff that occurred from May 16, 2023 through June 15, 2023.<sup>1</sup>

Please contact the undersigned with any questions.

Respectfully submitted

**By: /s/ Andrew Ulmer**

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<sup>1</sup> The CAISO submits the Market Disruption report pursuant to *California Independent System Operator Corp.*, 126 FERC ¶ 61,211 (2009) and Section 7.7.6 (d) of the CAISO Tariff (CAISO Tariff Section 7.7.15 was moved into Section 7.7.6 in the CAISO's Administrative Pricing tariff amendment, see *Cal. Indep. Sys. Operator Corp.*, 158 FERC ¶ 61,085 (2016)).



# **Market Disruption Report May 16, 2023 to June 15, 2023**

July 15, 2023

CAISO Market Analysis and Forecasting

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## 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.<sup>1</sup> Pursuant to Section 7.7.6 of the CAISO Tariff, the California Independent System Operator Corporation (CAISO) can take one or more of several specified actions in the event of a Market Disruption, to prevent a Market Disruption, or to minimize the extent of a Market Disruption. The CAISO reports Market Disruption occurrence in the following circumstances:

- When the CAISO 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 CAISO manually overrides closing the Day-Ahead Market; or
- Any time that the CAISO 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 CAISO under Section 7.7.6;
- The nature of the Market Disruptions that caused the CAISO to act, or the Market Disruptions successfully prevented or minimized by the CAISO by taking action, and the CAISO's rationale for taking such actions under Section 7.7.6;
- Information about the Bids (including Self-Schedules) removed under Section 7.7.6 (*i.e.*, megawatt quantity, point of interconnection, specification of the Day-Ahead versus Real-Time Bid, and Energy or Ancillary Services Bid); and
- The CAISO's rationale for its removal of Bids (including Self-Schedules) under Section 7.7.6.<sup>2</sup>

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<sup>1</sup> Section 7.6 and 7.7 of the CAISO Tariff refer to these system operation issues or System Emergencies, respectively. CAISO Tariff, Appendix A, definition of Market Disruption. Capitalized terms not otherwise defined herein have the meanings set forth in the CAISO Tariff.

<sup>2</sup> *Id.* at P 29 & n.29.

**II. Report on Market Disruptions Occurring from May 16, 2023 through June 15, 2023**

The CAISO provides a summary of Market Disruptions that occurred from May 16, 2023, through June 15, 2023, in Table 1 and Attachment A below. Attachment A includes an entry for each reportable Market Disruption event and each indicates:

- (1) The date of the Market Disruption;
- (2) The hour and Dispatch Interval when the Market Disruption ended;
- (3) The CAISO Market in which the Market Disruption occurred; and
- (4) A description of the Market Disruption, the nature of any actions taken by the CAISO, the rationale for such actions, and the Market Disruption prevented or minimized because of taking such actions.

For each of the CAISO Markets, Table 1 lists the number of Market Disruptions during the period covered by this report. As shown in Table 1, there were 55 Market Disruptions for the reporting period.

**Table 1: Summary of Market Disruption Report**

<b>Type of CAISO Market</b>	<b>Market Disruption or Reportable Events</b>
<b>Day-Ahead</b>	
IFM	0
RUC	0
<b>Real-Time</b>	
Fifteen Minute Market Interval 1	3
Fifteen Minute Market Interval 2	2
Fifteen Minute Market Interval 3	4
Fifteen Minute Market Interval 4	4
Real-Time Dispatch	42

The frequency of RTD failures decreased from 69 to 42 compared to the report for the period of April 16, 2023, through May 15, 2023. RTD failures accounted for approximately 76 percent of the Market Disruptions during this reporting period.

On May 24<sup>th</sup> there were 15 (3 FMM, 1 HASP, 11 RTD) interval disruptions due to market maintenance, market rule violations, and use of previous market

solutions. On June 1<sup>st</sup>, there were 7 (2 FMM, 1 HASP, 4 RTD) interval disruptions due to implementing a market software patch. On June 11<sup>th</sup>, there were 6 RTD interval disruptions due to the use of previous market solutions.

The CAISO made resources non-participating in RTD due to market failures on the following days – May 25<sup>th</sup>, May 27<sup>th</sup>, June 7<sup>th</sup>, and June 13<sup>th</sup>. The resources were made non-participating strictly to resolve the RUC issues and not due to bidding concerns. Different resources were made non-participating for each day.

The CAISO made resources non-participating in FMM due to market failures on the following days – June 1<sup>st</sup>. The resources were made non-participating strictly to resolve the RUC issues and not due to bidding concerns. Different resources were made non-participating for each day.

There was a market disruption for a WEIM entity due to an IT issue on the WEIM entity side. The market disruption occurred on May 31<sup>st</sup>, 2023 from HE 11 interval 4 to HE 12 interval 12 in the RTD market, and from HE 11 interval 2 to HE 12 interval 4 in the FMM market. The disruption was isolated to this WEIM entity only and did not impact any other WEIM entities.

## **Market Disruption for Unique Pricing Feature**

The CAISO implemented a feature to ensure unique pricing under a degenerate condition in November 2015, which was implemented along with other pricing enhancements to improve market efficiency.

Table 2 captured below shows the dates and markets in which the pricing feature was disabled between May 16, 2023, and June 15, 2023. The uniqueness feature was enabled for all other intervals across all the markets for the timeframe captured in this report.

### **Table 2: Status of Unique Pricing Features across Various Markets**

The pricing feature was not disabled between May 16, 2023, and June 15, 2023, and, therefore, there is no data to populate Table 2.

## **ATTACHMENT A**

**California Independent System Operator Corporation  
Market Disruption Report  
July 15, 2023**

**Table 3: Market Disruptions, Nature of Actions Taken by the CAISO, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions**

<b>Count</b>	<b>Date</b>	<b>Hour</b>	<b>Interval</b>	<b>Market</b>	<b>Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions</b>
1	5/16/2023	9	3	FMM	HASP did not run due to market failure. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
2	5/17/2023	15	4	FMM	FMM did not run due to market maintenance.
3	5/17/2023	15	7	RTD	RTD did not run due to market maintenance. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
4	5/17/2023	15	8	RTD	RTD did not run due to market maintenance. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
5	5/18/2023	14	3	FMM	FMM did not run due to market failure. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
6	5/19/2023	1	1	RTD	RTD results were blocked and previous solution used.
7	5/20/2023	7	2	RTD	RTD results were blocked and previous solution used.



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	5/21/2023	19	4	RTD	RTD did not run due to RTCD run. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
9	5/21/2023	19	5	RTD	RTD did not run due to RTCD run. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
10	5/23/2023	20	2	RTD	RTD results were blocked and previous solution used.
11	5/23/2023	20	3	RTD	RTD results were blocked and previous solution used.
12	5/23/2023	20	8	RTD	RTD results were blocked and previous solution used.
13	5/23/2023	20	9	RTD	RTD results were blocked and previous solution used.
14	5/24/2023	1	1	RTD	RTD results were blocked and previous solution used.
15	5/24/2023	1	3	FMM	FMM did not run due to application problem.
16	5/24/2023	6	5	RTD	RTD results were blocked and previous solution used.
17	5/24/2023	6	6	RTD	RTD results were blocked and previous solution used.

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	5/24/2023	6	7	RTD	RTD did not run due to power balance infeasibility. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
19	5/24/2023	15	4	FMM	FMM did not run due to market maintenance.
20	5/24/2023	15	7	RTD	RTD did not run due to market maintenance. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
21	5/24/2023	15	8	RTD	RTD did not run due to market maintenance. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
22	5/24/2023	15	9	RTD	RTD did not run due to market maintenance. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
23	5/24/2023	15	10	RTD	RTD did not run due to market maintenance. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
24	5/24/2023	15	11	RTD	RTD did not run due to market maintenance. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
25	5/24/2023	15	12	RTD	RTD did not run due to market maintenance. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
26	5/24/2023	16	1	FMM	RTD did not run due to market maintenance. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).

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
27	5/24/2023	16	1	RTD	RTD did not run due to market maintenance. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
28	5/24/2023	16	2	HASP	HASP did not run due to market maintenance.
29	5/26/2023	5	9	RTD	RTD results were blocked and previous solution used.
30	5/26/2023	5	10	RTD	RTD results were blocked and previous solution used.
31	6/1/2023	15	4	FMM	FMM did not run due to market patching.
32	6/1/2023	15	7	RTD	RTD did not run due to market patching. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
33	6/1/2023	15	8	RTD	RTD did not run due to market patching. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
34	6/1/2023	15	9	RTD	RTD did not run due to market patching. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
35	6/1/2023	15	10	RTD	RTD did not run due to market patching. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).

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
36	6/1/2023	16	1	FMM	FMM did not run due to market patching.
37	6/1/2023	16	2	HASP	HASP did not run due to market patching.
38	6/2/2023	5	5	RTD	RTD results were blocked and previous solution used.
39	6/2/2023	5	7	RTD	RTD results were blocked and previous solution used.
40	6/4/2023	9	1	RTD	RTD results were blocked and previous solution used.
41	6/11/2023	9	5	RTD	RTD results were blocked and previous solution used.
42	6/11/2023	9	6	RTD	RTD results were blocked and previous solution used.
43	6/11/2023	10	1	RTD	RTD results were blocked and previous solution used.
44	6/11/2023	10	2	RTD	RTD results were blocked and previous solution used.
45	6/11/2023	18	1	RTD	RTD results were blocked and previous solution used.

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
46	6/11/2023	18	2	RTD	RTD results were blocked and previous solution used.
47	6/12/2023	19	2	RTD	RTD results were blocked and previous solution used.
48	6/13/2023	24	1	DSTUC	DSTUC did not run due to model promotion.
49	6/13/2023	24	3	FMM	FMM did not run due to model promotion.
50	6/13/2023	24	4	FMM	FMM did not run due to model promotion.
51	6/13/2023	24	11	RTD	RTD did not run due to model promotion. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
52	6/13/2023	24	12	RTD	RTD did not run due to model promotion. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
53	6/14/2023	1	1	RTD	RTD did not run due to model promotion. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
54	6/14/2023	1	4	RTD	RTD results were blocked and previous solution used.
55	6/14/2023	1	5	RTD	RTD results were blocked and previous solution used.

Notes:
Integrated Forward Market (IFM): The Day-Ahead Market run in which the CAISO 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 procures Ancillary Services.
Residual Unit Commitment (RUC): The Day-Ahead Market run in which the CAISO 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 four market runs conducted every Trading Hour before the Operating Hour. In this market run, the CAISO conducts the Market Power Mitigation for submitted Bids, which applies to the Real-Time Market processes for the Trading Hour. In this interval the CAISO also procures incremental Ancillary Services from internal resources and dynamic external resources.
Fifteen Minute Market (FMM) Interval 2: The second of four market runs conducted every Trading Hour before the Operating Hour during which the CAISO conducts the HASP. In the HASP, the CAISO 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 CAISO 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 Trading Hour.
Fifteen Minute Market (FMM) Interval 3: The third of four market runs conducted every Trading Hour. During this interval, the CAISO commits internal Short-Start and Fast-Start Units for the Time Horizon of T-30 minutes to T+240 minutes. In this interval the CAISO also procures incremental Ancillary Services from internal resources and dynamic external resources for the Trading Hour.
Fifteen Minute Market (FMM) Interval 4: The fourth 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 CAISO also conducts 15-minute Ancillary Service Awards for non-Hourly System Resources, internal resources and dynamic external resources for the Trading Hour.
Real-Time Dispatch (RTD): The five-minute interval of any Operating Hour during which the CAISO conducts the market for Energy based on submitted bids and the CAISO Forecast of CAISO Demand.

**CERTIFICATE OF SERVICE**

I 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 17<sup>th</sup> day of July, 2023.

*/s/ Ariana Rebancos*

Ariana Rebancos