

GENERAL SESSION MINUTES

MARKET SURVEILLANCE COMMITTEE MEETING

January 30, 2014

Teleconference

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The Market Surveillance Committee (MSC), an advisory committee to the ISO Board of Governors, convened the general session at approximately 9:00 a.m. via teleconference and the presence of a quorum was established.

ATTENDANCE

The following members of the Market Surveillance Committee were in attendance via teleconference:

Ben Hobbs, Chairman
James Bushnell
Scott Harvey
Shmuel Oren

GENERAL SESSION

The following agenda items were discussed in general session:

PUBLIC COMMENT

No public comment was offered at this time.

DRAFT OPINION ON FULL NETWORK MODEL

Dr. Hobbs summarized the two main elements of the draft opinion on the ISO's full network model proposal. The first element included the use of the expanded full network model to improve the representation of loopflows in the California ISO day-ahead market. The second was the determination of schedules and prices for interchange transactions with adjacent balancing authority areas using this expanded full network model while continuing to model interchange as sourced on the tie lines connecting the California ISO with adjacent balancing authority areas.

Dr. Harvey discussed in greater detail the opinion explaining that the MSC expected that a successful implementation would help to reduce the cost of meeting load in real-time as well as the energy market imbalance charges currently borne by California load. He

stated that the MSC members concluded that testing and implementation of a full network model was very important. Committee member Harvey further discussed how creating and testing the full network model was likely to be a difficult and complex task.

Dr. Hobbs turned to the phone lines for questions.

Public comment

Wei Zhou, on behalf of Southern California Edison, offered comments concerning exceptions on the California Oregon Intertie (COI). Delphine Hou, Senior Market Design and Policy Specialist, and Committee member Harvey provided responsive comments.

Discussion between Mr. Zhou and the MSC Committee members ensued.

Ellen Wolfe, on behalf of Western Power Trading Forum, provided supportive comments in response to the MSC opinion. Ms. Wolfe inquired as to how the ISO would be verifying data during operations. Committee member Harvey responded that the ISO would need to have the flexibility to adjust the loop flows day to day and would need to develop internal procedures accordingly.

Motion

Chairman Hobbs:

Moved, that the Market Surveillance Committee, an Advisory Committee to the ISO Board of Governors, adopt the draft opinion titled "Implementation of the Full Network Model".

The motion to adopt draft opinion was seconded by Committee member Oren, and approved 4-0-0, via roll call.

FUTURE AGENDA ITEMS

Dr. Hobbs confirmed the next MSC meeting was scheduled for March 11, 2014.

ADJOURNED

There being no additional general session matters to discuss, the general session of the Market Surveillance Committee was adjourned at approximately 10:00 a.m.