Market Update Call Meeting Minutes

December 15, 2022[1]

Agenda

1) Updates and Meeting Minutes Review – Jennie Araj
2) Weekly Performance Report – Jennie Araj
3) Price Correction Reports – Jennie Araj
4) General Questions/ Comments– Jennie Araj

Updates

None

Bi-Weekly Market Performance Report

The ISO posted the bi-weekly market performance report for November 23-December 6, 2022. During this period, markets were generally quiet. The maximum day-ahead cleared demand was 29,750 MW for the two weeks. The Maximum day-ahead DLAP price was $522/MWh. The reasons for the price excursions in the fifteen-minute and five-minute markets are documented.

Day-ahead and real-time prices are high due to high natural gas prices which started to rise at the end of November and the high prices continue through December. The ISO reviewed some of dynamics that contribute to the high gas prices including colder weather stating early, pipeline outages and reduced storage levels in the December 14 Market Planning and Performance Forum: http://www.caiso.com/Documents/Presentation-MarketPerformancePlanningForum-Dec14-2022.pdf

Additionally, there were several events in the Fifteen-Minute Market on Dec 7 and Dec 8 where the market had to solve with a DC solution instead of an AC solution. IT has reviewed these events and determined it was impacted by a sudden change in the load pattern in the Pacific Northwest. The events are valid and prices will not be corrected.

Review of the Price Correction Report

During the week of Nov 28-Dec 2, 2022, the ISO processed one interval for price correction due to a software defect. During the week of Dec 5-9, 2022, the ISO processed 63 intervals for price correction due to software defects and data input errors.

General Questions

Q: Can the ISO discuss the internal process for monitoring and resolving DC solutions? Could the ISO bring in someone to discuss at the next call?
A: The ISO has Operations Engineers and IT personnel monitoring market solutions 24 hours a day. When DC solution occur successively, it can take some time for ISO personnel to determine what is causing the issue and the resolution of the issue. We can bring in a subject-matter expert for the next call.

[1] The California ISO (CAISO) hosts this bi-weekly market update conference call, generally at 10:15AM PST bi-monthly on Thursdays. This call is an opportunity for market participants to ask general questions regarding the market. Please send any questions to CIDI system, which includes questions that have proprietary information and that might be commercially sensitive.

Q: How are LDFs updated following an event that shows a change in power flow?
A: For the RTM, there is an automated process that uses a library of historical LDFs and the current state estimator readings to produce a blended LDF for use in the power flow. When there is a large or sudden change in state estimator readings it can take some time for the automated process to produce a new set of blended LDFs. For more information on the IFM/RTM and power flow process, see Section 3.3 of the BPM for Full Network model.

Q: Is the congestion on the constraints Line_FC-CH1_345KV and Line_FC-CH2_345KV due to a specific outage?
A: No, there is no outage. The Balancing Authority responsible for those transmission elements is actively managing the flows.

Q: What is causing the price separation between the Palo Verde pricing node and SP15 prices on December 7?
A: It is important to remember that Palo Verde is a Scheduling Tie Point so the LMP for the scheduling point that is published on the normal OASIS pricing displays is not complete. For Palo Verde prices, the OASIS displays called "Scheduling Point/Tie Combination" should be used for the LMP for the scheduling point-intertie combination. On December 7, there is congestion on the Palo Verde/SPRNETWORK_WALC tie point due WEIM congestion related to SRP but there is not congestion on the Palo Verde/PVWEST tie point that is connected to southern California. For more information on Pricing Logic for Scheduling Point –Tie Combination, there is a technical bulletin: http://www.caiso.com/Documents/RevisedTechnicalBulletin_PricingLogicforSchedulingPoint-TieCombination.pdf