

Market Update Call Meeting Minutes

February 16, 2017¹

Agenda

- 1) Updates and Meeting Minutes Review – **Guillermo Bautista Alderete**
- 2) Weekly Performance Report – **Guillermo Bautista Alderete**
- 3) Price Correction Reports – **Jennie Sage**
- 4) Actions Items from the previous week - **Guillermo Bautista Alderete**
- 5) General Questions/ Comments

Updates

The ISO has installed a new DB model for the Full Network Model effective for trade date February 16, 2017.

In the next Market Performance and Planning Forum on March 14, 2017, the ISO will discuss the enforcement and performance of the MAXBURN_ALISO_TOTAL and MAXBURN_ALISO_SDGE gas constraints in the markets.

Meeting Minutes Review

The meeting minutes for the February 2nd call have been posted.

Weekly Market Performance Report

The weekly market reports cover the time period January 25-February 7, 2017. Load levels remained low following weather patterns. For the IFM on January 29, the OMS 4622069 TL50003 nomogram was binding causing SDGE-area price separation. The reasons for the real-time price spikes are listed in the report.

Questions on Weekly Market Performance Report

None.

Price Correction Reports

During the week of January 30-February 3, 2017, the ISO processed 15 price corrections due to software defects and data input errors. During the week of February 6-10, 2017, the ISO processed 135 price corrections due to software defects and data input errors.

Questions on Price Correction Report

None.

General Questions

Q: The profile of day-ahead market prices has changed starting February 14 with low prices in southern California, was there any change in enforcement?

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. Only general market-related questions which are neither proprietary, nor non time-sensitive should be sent to market_issues@caiso.com.

A: From February 14-16, 2017, PATH15-S-N was binding for several hours each day driving southern California prices lower. The congestion was due to bidding patterns.

Q: Should the prices at the NOB intertie pricing point have a similar congestion profile with Path 15 is binding with the new modeling enhancement for the Sylmar DC line?

A: On January 6, 2017, the ISO activated a pricing enhancement to reconcile price differentials between the high Voltage Direct Current element poles, such as the prices applicable to Pacific DC intertie: <http://www.caiso.com/Documents/ModelingEnhancementActivation-PriceDifferences-HighVoltageDirectCurrentLines.html> . Two new constraints with a shadow prices when binding are now posted on OASIS; these constraints are the drivers to reconcile the price differential between the poles of the HVDC element.

So when PATH15_S-N only binds and prices in southern California are lower (negative congestion component) than prices in northern California, market participants can review the SP-Tie prices for SYLMARDC_2_N501 (NOB) and there will now be a negative congestion component consistent with southern California prices.

Q: Why are real-time prices negative for a third of the intervals on February 14, 2017?

A: The negative prices during the mid-day on February 14, 2017 was due to high solar generation.

Q: Why are there high negative real-time prices on February 4, 2017?

A: In the real-time market on February 4, 2017, PATH15_S-N was binding from HE 11-16 due to system conditions causing the price separation.

Q: Are there any reports on system conditions for the spring of 2017?

A: No, the ISO does not publish spring reports.

General Reminders

- **NOTE:** The current best practice, and preferred method, of asking questions is to route through the **Customer Inquiry, Dispute and Information** system, "CIDI".
- Please submit your questions ahead of the call; there are occasions when we have to gather information: submission ahead of time allows us more preparation time to reply.
- To add general comments/questions/requests to the **action item list or meeting agenda**, market participants should also open corresponding CIDI tickets with both the Functional Environment as "Market Performance" and SCID as "XPUB" by close of business (COB) on Mondays.