

Non Resource Adequacy Capacity Report

July 2019

CAISO Market Quality and Renewable Integration August

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CAISO\Market Quality and Renewable Integration

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Introduction

This report is produced pursuant to CAISO Tariff Section 43A.6.3, which requires the ISO to publish a monthly report of non-resource adequacy (RA) capacity in the ISO markets through market and non-market transactions. Section 43A.6.3 also requires the ISO to publish the report on the 10th of each month with data for the prior month. The ISO will publish the report on the first business day following the 10th whenever the 10th falls on a weekend or holiday. This report provides the following information for non-RA capacity for the month of July 2019.

The Content of the Non RA Capacity Report

The report includes the following information:

(a) the name of the resource with non-RA capacity;

(b) The utility service area and local capacity area (if applicable);

(c) the maximum amount of non-RA capacity dispatched in response to the event (MW);

(d) how the non-RA capacity was procured (for example, by Reliability Unit Commitment (RUC) or exceptional dispatch (ED));

(e) the reason the non-RA capacity was dispatched either through market optimization or exceptional dispatch); and

The non-RA capacity is the MW amount of capacity dispatched in the Real Time Market (RTD) above the RA supply MW from the CAISO CIRA system. Resources that have sold RA capacity at a MW level less than PMin have an obligation to make full PMin available to the ISO as RA capacity per CAISO Tariff section 40.4.3(1), so its PMin will be used as its RA supply MW in this report. Non-RA capacity for resources that do not have a Resource Adequacy obligation is the MW amount of capacity dispatched above its PMin.

The ISO reports the "maximum" dispatch for each resource that has a dispatch greater than zero for at least one 5-minute interval in the Real Time Market per day in Table 1.

The ISO also reports the corresponding RUC award at the time of the dispatch, and its utility service area and local area if applicable for the resource in Table 1.

Dispatch reason in Table 1 may include "Market Optimization" and exceptional dispatch. There were 18 exceptional dispatches of non-RA capacity for July 2019. If there is non-RA capacity committed by ED, the commitment reason will be "ED: *the specific ED reason.*"

CAISO Tariff Section 40.4.3(1)(f) specifies that the report must include information as to whether or not all RA capacity and previously-designated Capacity Payment Mechanism (CPM) capacity was used first and, if not, why. Non-RA capacity can be dispatched by the market, RUC or exceptional dispatch.

- Market dispatches result from the market optimization utilizing bids and self-schedules without regard to RA, CPM or Non-RA status as capacity is committed and dispatched in the market based on resource bids and characteristics.
- When RUC commits resources, it will consider RA capacity as zero cost supply, and non-RA capacity with bid-in capacity cost. If the non-RA capacity bid-in cost is greater than zero, then RUC will choose the more economic RA capacity to commit first. If the non-RA capacity bid-in cost is zero, RUC cannot distinguish RA vs non-RA from a cost perspective in making commitment decisions.
- For resources committed and dispatched through Exceptional Dispatch, the ISO will use available information to select the most economic resources that can meet the reliability need, resulting in exceptional dispatches of non RA resources when RA or CPM resources or are not available or effective to meet the reliability need.

Non RA Capacity in July 2019

The Non RA Capacity Table for July 2019 can be found at the following link: <u>http://www.caiso.com/Documents/NonRACapacityTableJuly2019.xlsx</u>