



Decision on conditional approval to extend existing reliability must-run contracts for 2024

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Management requests conditional approval to extend certain reliability must-run contracts for 2024.

- Reliability must-run (RMR) designations are extended when:
 - The ISO determines a reliability need in the local area or a system wide reliability need; and,
 - Resource adequacy (RA) capacity from specific units may not be contracted by a load serving entity.
- The ISO may also retain resource adequacy capacity under RMR designations if:
 - It needs certain reliability services not provided by the resource adequacy contract;
 - A unit may exercise market power for energy; or
 - Existing contractual arrangements may preclude the availability of that unit without an RMR contract.

Conditional approvals are sought each year due to the schedule of events each September:

- ISO Management develops next year's RMR recommendations for units currently under contract in August
- Management seeks conditional authority to extend contracts at the September ISO Board of Governors general session meeting
- September 15, load serving entities make preliminary RA showings with current RMR resources
- By September 30, Management reviews preliminary resource adequacy showings and makes determinations
- October 1 – Management sends extension or termination notices to resource owners

Management recommends extending the RMR designations as set out below

- Extend existing local RMR contracts for 2024 based on 2024 local capacity technical study results conditional upon results of RA showings process:
 - Oakland 1 & 3 (Dynergy Oakland, LLC)
- Release existing resources from local RMR contract that have received RA capacity contracts:
 - Greenleaf II Cogen (Starwood Energy Group)

Management intends to take the following steps subject to conditional approval of the extensions

- Track the contract status of all the resources through to the end of September
- Report back the results of the RMR contract extensions at the November 8-9 ISO Board of Governors meeting