

January 15, 2021

The Honorable Kimberly D. Bose
Secretary
Federal Energy Regulatory Commission
888 First Street, NE
Washington, DC 20426

**RE: California Independent System Operator Corporation
Docket Nos. ER06-615-___ and ER07-1257-___
Market Disruption Report**

Dear Secretary Bose:

The California Independent System Operator Corporation (CAISO) hereby submits its November/December report covering Market Disruption reportable events under Section 7.7.6 of the CAISO Tariff that occurred from November 16, 2020 to December 15, 2020.¹

Please contact the undersigned with any questions.

Respectfully submitted

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¹ The CAISO submits the Market Disruption report pursuant to *California Independent System Operator Corp.*, 126 FERC ¶ 61,211 (2009) and Section 7.7.6 (d) of the CAISO Tariff (CAISO Tariff Section 7.7.15 was moved into Section 7.7.6 in the CAISO's Administrative Pricing tariff amendment, see *Cal. Indep. Sys. Operator Corp.*, 158 FERC ¶ 61,085 (2016)).



Market Disruption Report November 16, 2020 to December 15, 2020

January 15, 2021

CAISO Market Quality and Renewable Integration

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I. Background

A Market Disruption is an action or event that causes a failure of a CAISO Market, related to system operation issues or System Emergencies.¹ Pursuant to Section 7.7.6 of the CAISO Tariff, the California Independent System Operator Corporation (ISO or CAISO) can take one or more of a number of specified actions in the event of a Market Disruption, to prevent a Market Disruption, or to minimize the extent of a Market Disruption. The CAISO reports Market Disruption occurrence in any of the following circumstances:

- When any of the CAISO market processes fail to publish, including the Integrated Forward Market (IFM), Residual Unit Commitment (RUC), the Real-Time Market, which includes the Hour-Ahead Scheduling Process (HASP), Fifteen Minute Market (FMM), and the Real-Time Dispatch (RTD) processes;
- When the CAISO manually overrides the closing of the Day-Ahead Market; or
- Any time that the CAISO removes Bids from a CAISO Market to prevent a Market Disruption or to minimize the extent of a Market Disruption.

The Market Disruption report contains the following information:

- The frequency and types of actions taken by the CAISO pursuant to Section 7.7.6;
- The nature of the Market Disruptions that caused the CAISO to take action, or the Market Disruptions that were successfully prevented or minimized by the CAISO as a result of taking action, and the CAISO's rationale for taking such actions pursuant to Section 7.7.6;
- Information about the Bids (including Self-Schedules) removed pursuant to Section 7.7.6 (*i.e.*, megawatt quantity, point of interconnection, specification of the Day-Ahead versus Real-Time Bid, and Energy or Ancillary Services Bid); and
- The CAISO's rationale for its removal of Bids (including Self-Schedules) pursuant to Section 7.7.6.²

¹ Section 7.6 and 7.7 of the CAISO Tariff refer to these system operation issues or System Emergencies, respectively. CAISO Tariff, Appendix A, definition of Market Disruption. Capitalized terms not otherwise defined herein have the meanings set forth in the CAISO Tariff.

² *Id.* at P 29 & n.29.

II. Report on Market Disruptions Occurring from November 16, 2020 through December 15, 2020

The CAISO’s report on Market Disruptions that occurred from November 16, 2020 through December 15, 2020, is provided in Table 1 and Attachment A below. Attachment A includes an entry for each reportable Market Disruption event and each indicates:

- (1) The date of the Market Disruption;
- (2) The hour and Dispatch Interval when the Market Disruption ended;
- (3) The type of CAISO Market in which the Market Disruption occurred; and
- (4) A description of the nature of the Market Disruption, the nature of any actions taken by the CAISO, the rationale for such actions, and the Market Disruption prevented or minimized as a result of taking such actions.

For each of the CAISO Markets, Table 1 lists the number of Market Disruptions during the time period covered by this report. As shown in Table 1, there were a total of 46 Market Disruptions for the reporting period.

Table 1: Summary of Market Disruption Report

Type of CAISO Market	Market Disruption or Reportable Events
Day-Ahead	
IFM	0
RUC	0
Real-Time	
Fifteen Minute Market Interval 1	4
Fifteen Minute Market Interval 2	4
Fifteen Minute Market Interval 3	3
Fifteen Minute Market Interval 4	2
Real-Time Dispatch	33

Table 1 above shows the market disruptions in the real time market in order to incorporate the FMM binding intervals.

The frequency of RTD failures decreased from 35 to 33 in comparison to the report for the period of October 16, 2020 through November 15, 2020. RTD failures accounted for approximately 71 percent of all of the Market Disruptions during this reporting period.

Planned Maintenance occurred on November 18th, November 23rd, December 1st, and December 8th. From December 8th to December 9th there were 5 (3 RTD, 2 FMM) disruptions due to database maintenance. On November 18th there were 19 (14 RTD, 5 FMM) disruptions due to issues with IFM/RTN maintenance. On November 23rd there were 9 (8 RTD, 1 FMM) disruptions and on December 1st there were 6 (4 RTD, 2 FMM) disruptions due to IFM/RTN patching.

On November 23rd the CAISO made a resource non-participating in RUC due to market failures. The resource was made non-participating strictly to resolve the RUC issue and not due to bidding concerns. On November 29th the CAISO made a resource non-participating in RUC due to market failures. The resource was made non-participating strictly to resolve the RUC issue and not due to bidding concerns. On December 2nd the CAISO made a resource non-participating in RTD due to market failures. The resource was made non-participating strictly to resolve the RTD issue and not due to bidding concerns. On December 15th the CAISO made a resource non-participating in RTD due to market failures. The resource was made non-participating strictly to resolve the RTD issue and not due to bidding concerns.

Market Disruption for Unique Pricing Feature

The CAISO implemented a feature to ensure unique pricing under a degenerate condition in November 2015, which was implemented along with other pricing enhancements to improve market efficiency. This feature was effective until August 14, 2018. On this day, the real-time five-minute market application failed to produce an optimal dispatch in a reasonable time and the unique pricing feature was disabled to obtain a valid solution. The problem associated with this feature propagated to the day-ahead market on August 21, 2018, and the fifteen-minute market on August 26, 2018.

Table 2 captured below shows the dates and market in which the pricing feature was disabled between November 16, 2020 and December 15, 2020. The uniqueness feature was enabled for all other intervals across all the markets for the timeframe captured in this report.

Table 2: Status of Unique Pricing Feature across Various Markets

The pricing feature was not disabled between November 16, 2020 and December 15, 2020.

ATTACHMENT A

**California Independent System Operator Corporation
Market Disruption Report
January 15, 2021**

Table 3: Market Disruptions, Nature of Actions Taken by the CAISO, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
1	11/18/2020	16	1	FMM	FMM did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
2	11/18/2020	15	6	RTD	RTD did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
3	11/18/2020	15	7	RTD	RTD did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
4	11/18/2020	15	8	RTD	RTD did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
5	11/18/2020	15	9	RTD	RTD did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
6	11/18/2020	15	10	RTD	RTD did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
7	11/18/2020	15	11	RTD	RTD did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
8	11/18/2020	15	12	RTD	RTD did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
9	11/18/2020	16	2	HASP	HASP did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
10	11/18/2020	16	3	FMM	FMM did not run due to maintenance issues.
11	11/18/2020	16	10	RTD	RTD failed due to maintenance issues.
12	11/18/2020	16	11	RTD	RTD did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
13	11/18/2020	16	12	RTD	RTD did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
14	11/18/2020	17	2	HASP	HASP failed due to application problem.
15	11/18/2020	17	1	RTD	RTD did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
16	11/18/2020	17	2	RTD	RTD did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
17	11/18/2020	17	3	RTD	RTD did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
18	11/18/2020	17	4	FMM	FMM did not run due to maintenance issues.
19	11/18/2020	17	4	RTD	RTD did not run due to maintenance issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
20	11/23/2020	16	1	FMM	FMM did not run due to patch related system issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
21	11/23/2020	15	7	RTD	RTD Broadcast failed. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
22	11/23/2020	15	8	RTD	RTD did not run due to patch related system issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
23	11/23/2020	15	9	RTD	RTD did not run due to patch related system issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
24	11/23/2020	15	10	RTD	RTD failed due to application time-out. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
25	11/23/2020	15	11	RTD	RTD failed due to application time-out. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
26	11/23/2020	15	12	RTD	RTD failed due to application time-out. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
27	11/23/2020	16	1	RTD	RTD failed due to application time-out. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
28	11/23/2020	16	2	RTD	RTD Broadcast failed. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
29	11/24/2020	19	3	FMM	FMM did not run due to application problem. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
30	11/24/2020	20	2	HASP	HASP did not run due to application problem.
31	11/24/2020	20	3	FMM	FMM did not run due to application problem.
32	11/29/2020	17	1	RTD	RTD results were blocked and previous solution used.
33	12/1/2020	15	1	FMM	FMM did not run due to patch related system issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
34	12/1/2020	14	7	RTD	RTD did not run due to patch related system issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
35	12/1/2020	14	8	RTD	RTD did not run due to patch related system issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
36	12/1/2020	14	9	RTD	RTD did not run due to patch related system issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
37	12/1/2020	14	10	RTD	RTD did not run due to patch related system issues. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
38	12/1/2020	15	2	HASP	HASP did not run due to patch related system issues.
39	12/1/2020	20	1	RTD	RTD results were blocked and previous solution used.
40	12/1/2020	20	2	RTD	RTD results were blocked and previous solution used.
41	12/8/2020	24	4	FMM	FMM did not run due to maintenance.
42	12/8/2020	24	11	RTD	RTD did not run due to maintenance. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).

Count	Date	Hour	Interval	Market	Nature of Actions, Nature of Market Disruption, Rationale and/or Market Disruption Prevented or Minimized as a Result of such Actions
43	12/8/2020	24	12	RTD	RTD did not run due to maintenance. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
44	12/9/2020	1	1	FMM	FMM did not run due to maintenance. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
45	12/9/2020	1	1	RTD	RTD Broadcast failed. The market results for this interval were filled based on the tariff sections 7.7.9 and 29.7(j).
46	12/12/2020	21	4	RTD	RTD results were blocked and previous solution used.

Notes:

Integrated Forward Market (IFM): The Day-Ahead Market run in which the CAISO conducts the market for purchases and sales of Energy for all hours of the next Trading Day based on submitted supply and demand bids, and performs the procurement of Ancillary Services.

Residual Unit Commitment (RUC): The Day-Ahead Market run in which the CAISO conducts unit commitment of additional resources based on submitted availability bids and the forecast of demand for every hour of the next Trading Day.

Fifteen Minute Market (FMM) Interval 1: The first of a series of four market runs conducted every Trading Hour in advance of the Operating Hour. In this run the CAISO conducts the Market Power Mitigation for submitted Bids, which applies to all of the Real-Time Market processes for the given Trading Hour. In this interval the CAISO also conducts the procurement of incremental Ancillary Services from internal resources and dynamic external resources.

Fifteen Minute Market (FMM) Interval 2: The second of a series of four market runs conducted every Trading Hour in advance of the Operating Hour during which the CAISO conducts the HASP. In the HASP, the CAISO conducts the procurement and sale of Energy and Ancillary services from non-dynamic System Resources based on submitted Bids and the CAISO Forecast of CAISO Demand. In this interval the CAISO also conducts the advisory procurement of incremental Ancillary Services from internal resources and dynamic external resources from T to T+60 minutes and procurement for the given Trading Hour.

Fifteen Minute Market (FMM) Interval 3: The third of a series of four market runs conducted every Trading Hour. During this interval the CAISO conducts the commitment of internal Short-Start and Fast Start Units for the Time Horizon of T-30 minutes to T+240 minutes. In this interval the CAISO also conducts the procurement of incremental Ancillary Services from internal resources and dynamic external resources for the given Trading Hour.

Fifteen Minute Market (FMM) Interval 4: The fourth of a series of four market runs conducted every Trading Hour. This interval is for the Fifteen Minute Market for the T-105 minutes to T+60 minutes time horizon. In this interval the CAISO also conducts 15-minute Ancillary Service Awards for non-Hourly System Resources, internal resources and dynamic external resources for the given Trading Hour.

Real-Time Dispatch (RTD): The five-minute interval of any given Operating Hour during which the CAISO conducts the market for Energy based on submitted bids and the CAISO Forecast of CAISO Demand.

CERTIFICATE OF SERVICE

I certify that I have served the foregoing document upon the parties listed on the official service list in the captioned proceedings, in accordance with the requirements of Rule 2010 of the Commission's Rules of Practice and Procedure (18 C.F.R. § 385.2010).

Dated at Folsom, California, this 15th day of January 15, 2021

/s/ Jacqueline Meredith

Jacqueline Meredith