

June 18th 2017 Exceptional Dispatch CPM Designation Report

Designation Summary:

The ISO issued an Exceptional Dispatch Capacity Procurement Mechanism (CPM) designation to MNDALY_7_UNIT 2 and MNDALY_7_UNIT 1 for a system reliability need. On Saturday June 17, 2017, the ISO exceptionally dispatched the units to be online for Sunday June 18 from 11 A.M. until midnight. Under the ISO tariff, the CPM designations are effective June 18, 2017 for a duration of 30 days.

Duration and Cost:

Resource ID	MW	TAC	CPM Cost
MNDALY_7_UNIT 2	20.01	SYS	\$126,263
MNDALY_7_UNIT 1	20.01	SYS	\$54,714

The estimated capacity cost is based on a CPM price of \$6.31/kw-month.

Reason for CPM:

The ISO exceptionally dispatched several RA and non RA resources to PMIN (Minimum Load) due to load forecast uncertainty in the context of an anticipated heat wave. These dispatches included the two Mandalay units in this report. The ISO started the units in preparation for a potential need for additional capacity. In the context of CPM, the tariff requires the ISO to designate as CPM the greater of the PMIN of the resource or the quantity of capacity needed from the resource to address the reliability issue. The day ahead market (including Residual Unit Commitment) for Sunday, June 18, ran successfully and met all peak load and reserve requirements, plus an additional 2% procurement for solar risk. There were no specific reliability issues requiring a designation greater than PMIN. Subsequent load forecasting for Sunday June 18th showed a downward trend in peak demand, so there was no subsequent need to increase the initial ED quantities to an amount above PMIN. Also, there was a significant amount of resource adequacy capacity that was available from various units that had been exceptionally dispatched to PMIN.

Prior CPM report information is available to download at:

<http://www.caiso.com/market/Pages/ReportsBulletins/Default.aspx>