Market Update Call Meeting Minutes

April 22, 2021[1]

Agenda

1) Updates and Meeting Minutes Review – Rahul Kalaskar
2) Weekly Performance Report – Rahul Kalaskar
3) Price Correction Reports – Lourdes Hernandez
4) General Questions/ Comments– Rahul Kalaskar

Updates:

FERC 831 – update: - Market parameters and import bid verification.
The implementation includes two key components: 1) market scheduling and pricing parameters based on a $1,000/MWh soft energy bid cap unless market conditions support costs and bids above $1,000/MWh, and 2) revised rules for allowing import bids, export bids, demand bids, and virtual bids above $1,000/MWh. The specific market conditions that can support costs and bids above $1,000/MWh (i.e., raising the energy bid cap from $1,000/MWh to $2,000/MWh) are the CAISO's calculation of the Maximum Import Bid Price exceeding $1,000/MWh, or the CAISO accepting a cost-verified resource-specific resource bid above $1,000/MWh.

- THE ISO implemented these changes on June 13, 2021. The official trading date is June 13, 2021. It was supposed to be implemented on June 15, 2021 but we moved the data to June 13, 2021 due to heat wave during the hot days.
- Also there is training material that has details about bidding rules.
  - Training slides (video recording can be found on the CAISO's learning center page): http://www.caiso.com/Documents/Presentation-FERC-Order-831-Import-Bidding-Market-Parameters-Training-Apr-28-2021.pdf
  - **BPM for Market Instruments edits:** https://bpmcm.caiso.com/Pages/ViewPRR.aspx?PRRID=1357&IsDlg=0
  - **Deployment market notice:** http://www.caiso.com/Documents/FERCOrderNo831MarketParameters-ImportBiddingEnhancementsDeploymentEffective-TradeDate061321.html
- If there are question, please provide details via CIDI so we can track down those issues.

Where can market participants see the activation of this high price condition?
A: There is location in SIBR, specifically the Bid Ceiling table under the Messages tab. This table shows how the bid cap is set (1000 or 2000) for each market of the trading day for all 24 hours.

Bi-Weekly Market Performance Report

The ISO posted the bi-weekly market performance report for May 26 through June 8. During this period, markets were generally quiet. The maximum day-ahead cleared demand was 37,280 MW for the two-week period. The Maximum day-ahead DLAP price was $178.73 /MWh which occurred during the evening

[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.

peak. There were some price excursions in the real-time market, the root cause of the price excursion is provided in the first tab of the report

Review of the Price Correction Report

During the week of June 7-11, the ISO processed 1 interval for price correction due to software defect. During the week of June 14-18, the ISO processed 33 intervals for price correction due to data input error and software defect. During the week of June 21-25, the ISO processed 36 intervals for price correction due to data input error and software defect.

Questions and Answers

Q: On June 15 and June 16, the day-ahead market clearing price was above $150 between hour ending 18 through hour ending 20. What are driving these high prices?
ISO: The day-ahead demand forecast for both these days in hours between 18 through 20 was approaching 40,000 MW. During such conditions, we do expect to see high prices. These days are still pending the ISO's validation process. The ISO will provide an update during the next market update call.

Q: We have come across two different reports that show generation outage information:
(i) One is found at http://www.caiso.com/market/Pages/OutageManagement/UnitStatus.aspx
(ii) Another report found under OASIS->Energy->Aggregated Generation Outages
The problem is when we aggregate report (i) above at ~8:00am it is often times different than report (ii). The difference can be as much as 2GWs, as last seen reports for operating day 6/2/2021.
Should these reports match each other at the aggregated level? We are not sure why the outage totals would deviate as much as they do.
ISO: This request has been sent to ISO's IT team and they will provide a response through the CIDI system.

Q: In the day-ahead market for June 16 and June 17 the 36851_NORTHERN_115_36852_SCOTT _115_BR_2 _1 constraint is binding in the day-ahead market. What is driving this congestion?
A: This day is still under review, the ISO will provide additional details during the next market update call.