

Docket No. EL99-93-001
Turlock Irrigation District
Amended Responses of
Turlock Irrigation District to
ISO's First Data Request
Response to ISO-TID-7
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With regard to the Direct Testimony of Paul G. Scheuerman, page 10, lines 12-34 - page 11, lines 1-15, please provide Mr. Scheuerman's understanding of each and all of the circumstances under which the ISO could direct the dispatch of, or curtail the operation of, TID's Generating Units.

Response:

Section 5.1.3 of the ISO Tariff cited in the testimony provides the ISO with ultimate control over all Generating Units that have executed a Participating Generator Agreement. For example, Section 5.1.3 of the ISO Tariff states that if "...the ISO is still in need of additional control over Generating Units, shall the ISO assume supervisory control over other Generating Units." Section 5.1.3 of the ISO Tariff goes on to present the expected circumstances under which the ISO would assume supervisory control over Generating Units. "It is expected that at this point, the operational circumstances will be so severe that a real-time system or emergency condition could be in existence or imminent." The language used by the ISO ("it is expected") does not limit its supervisory control over Generating Units to only those circumstances. It is unknown at this time what other circumstances the ISO may consider to meet the stated requirement where it "has used the Ancillary Services that are available to it under [the] Ancillary Services bids which prove to be responding to the problem and the ISO is still in need of additional control over Generating Units [...]"

Besides the fact that the ISO does not limit its control prerogative to pre-set and known circumstances, there is also uncertainty as to the degree of the control it would exert. For example, Section 5.1.3 of the Tariff states that the generator can be directed by the ISO to take such actions "as the ISO determines to be necessary to maintain the reliability of the ISO Controlled Grid. Such actions shall include (but are not limited to)..." Note that while certain actions are spelled out in the ISO Tariff, the universe of potential actions is not limited.

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Another example of the unnecessary magnitude of the ISO's exercise of control is Section 2.3.1.1.3 of the Tariff which provides that: "The ISO shall have full authority including (without limitation) to...(e) control the output of Generating Units that are selected to provide Ancillary Services and Imbalance Energy:...". This provision gives the ISO control over an entire Generating Unit that may have bid into the ISO's Ancillary Services Market rather than only the specific amount of generation that may have been bid. Thus, to the extent that TID were to provide 15 MW of Ancillary Services from an internal 100MW generator source that is also being utilized to meet TID commitments to its customers, the ISO would take control over the entire generation rather than only the relatively small amount offered by TID. This could result in the ISO issuing instructions to TID that would interfere with the internal operation of the TID system and its ability to meet the reliability obligations it assumes under its interconnection agreement with Pacific Gas and Electric Company ("PG&E").