

Market Update Call Meeting Minutes

May 15, 2025¹

Agenda

- 1) Updates and Meeting Minutes Review – Jennie Araj
- 2) Weekly Performance Report – Jennie Araj
- 3) General Questions/ Comments– Jennie Araj
- 4) Price Corrections due to Software Errors – Haifeng Liu

Updates

There is a Market Performance and Planning Forum scheduled for June 26, 2025.

Bi-Weekly Market Performance Report

The CAISO posted the bi-weekly market performance report for April 23-May 06, 2025. The day-ahead market was generally quiet. The maximum day-ahead cleared demand was 29,810 MW and the maximum day-ahead DLAP price was \$58.91/MWh for the two weeks. The reasons for the price excursions in the fifteen-minute and five-minute markets are documented.

Price Correction Review

There was one RTD price correction on May 02, 2025 for the Tucson WEIM entity. Price Correction Messages are posted on OASIS under Atlas Reference → Messages → Price Correction Messages.

General Questions

None.

Special Topic on how the CAISO shares information with market participants about price corrections due to software errors

The CAISO provides information to market participants related to price corrections via OASIS. This information is available on the CAISO's OASIS website under the Atlas Reference tab (1) Price Correction Messages; (2) Price Correction Summary.

Prior to October 22, 2024, the CAISO hosted a dedicated biweekly market update call where the CAISO discussed price corrections events, including their reason, for the last reporting period. On October 22, 2024, the CAISO announced the new daily Price Correction Summary report on OASIS in the CAISO Readiness Notes available at <https://www.caiso.com/documents/readiness-notes-new-price-correction-summary-report-in-oasis.pdf>

Since October 22, 2024, the CAISO continues to host biweekly market update calls and will discuss significant price correction events on those calls. The CAISO also runs a quarterly market performance and planning forum to discuss any relevant market issues. These venues provide an opportunity for stakeholders to ask questions and discuss underlying reasons for price corrections.

Questions on the Special Topic

¹ The California ISO (CAISO) hosts this bi-weekly market update conference call, generally at 10:15AMPST 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.

Q: In 2023, the ISO would often correct high shadow prices of a constraint called 32214_RIO OSO _115_30330_RIO OSO _230_XF_1 due to a software defect. In recent trade dates, this congestion is binding with a shadow price and the ISO is not correcting the price, can you explain why?

A: In January 2024, a software defect related to congestion pricing was corrected through a software enhancement. Prior to this enhancement, the ISO had been performing price corrections to address the impact of the defect. This enhancement eliminated the need for ongoing price corrections related to that specific issue. However, it is important to note that this does not mean all high shadow prices are invalid. The ISO continues to validate high shadow prices. Valid high congestion shadow prices may still occur, potentially resulting in locational marginal prices exceeding the soft offer bid cap. This can happen when resources with low shift factors with respect to transmission constraints are economically awarded due to congestion.

Q: Under what conditions does the ISO correct high shadow prices?

A: The ISO will correct high shadow prices if they are the result of a software defect or data input error.

Q: Did the software fix in January 2024 only apply to certain constraints?

A: The software fix applied to all transmission constraints and did not target a specific constraint.

Q: There is a new software enhancement related to multi-contingency congestion pricing, is this issue related to the prior software defect on high congestion pricing?

A: The two items are not related. The item that was fixed in January 2024 was an identified software defect that caused invalid high congestion prices. The CAISO plans to discuss a new software enhancement related to multi-contingency congestion pricing in a BPM Change Management meeting.