



**GENERAL SESSION MINUTES
MARKET SURVEILLANCE COMMITTEE MEETING
November 19, 2010
ISO Headquarters
Folsom, California**

**With Simultaneous Meeting Web Cast (Web conference via Internet (visual)
and telephone (audio))**

A meeting of the Market Surveillance Committee (MSC) was held at the time and place referenced above, pursuant to the Public Notice (final released November 16, 2010), posted on the CAISO Web site at <http://www.caiso.com/23c2/23c2c4412f6c0.html>. This meeting was also a joint CAISO stakeholder meeting with regard to topics contained in the Public Notice.

COMMITTEE MEMBERS ATTENDING

Frank Wolak	Committee Chairman
James Bushnell	Committee Member
Benjamin Hobbs	Committee Member
Absences:	None

GENERAL SESSION

The Director of Market Monitoring, Dr. Eric Hildebrandt, officially started the meeting shortly after 10:00 a.m., beginning with a quick run-down of the agenda.

The meeting was then turned over to Chairman Wolak, who thanked everyone for attending and introduced the two other committee members.

Public Comment

The meeting then proceeded with Chairman Wolak asking for public comment. Receiving no public comment, the MSC moved onto the next item on the agenda.

Decision on Minutes

Chairman Wolak then turned to the agenda item for MSC decision on the meeting minutes for the October 8 and 18, 2010 MSC meetings. He noted that this item called for the members to review and approve the meeting minutes.

Ben Hobbs moved for the approval of the draft general session minutes for October 8 and 18, 2010. The motion was seconded by James Bushnell, and approved:

Yes: 3
No: 0

Discussion on Renewable Integration Phase I Issues

Next, the Committee turned to the next agenda item, for which presentations were made to discuss the ISO's current proposal on regulation energy management. Don Tretheway of Market & Infrastructure Development gave the first presentation and addressed how a battery storage technology can provide continuous amounts of RegUp or RegDown in spite of the fact that the battery can only store a finite amount of energy.

Following Tretheway's presentation, Ben Hobbs of the MSC presented a detailed example of how the proposal would work.

This agenda item was informational only, and did include an action item for the committee members.

Discussion on Measures to Address Self-Scheduling

Jeff McDonald (Manager, Analysis and Mitigation, California ISO) provided a summary of analysis conducted by the Department of Market relating to the causes and impacts of high levels of generating unit self scheduling.

Chairman Wolak concluded this topic by outlining his perspective on the causes of the high levels of self-scheduling and suggested market rule changes to reduce the magnitude of self-scheduling.

This agenda item was a discussion item only and did not require any action be taken by the MSC.

Discussion on Energy Bid Floor

Cindy Hinman of Market & Infrastructure Development spoke to the question of whether the ISO should lower the energy bid floor.

Following Hinman's presentation, Chairman Wolak then laid out the major factors to consider in setting the level of energy bid and offer caps. Stakeholder discussion followed the presentations and issues raised in the previous discussion on self-scheduling were also revisited.

This agenda item was a discussion item only and did not require any action be taken by the MSC.

Discussion on Revision to Participating Intermittent Resource Program

Gillian Biedler of Market & Infrastructure Development spoke to the ISO's participating intermittent resource program. Biedler's presentation included a summary of the operational challenges facing the ISO, the program has created and why it may not be possible to continue the program in its current form.

The final presentation of the day came from Chairman Wolak. Wolak discussed incentives for intermittent resource owner behavior created by the participating intermittent resource program.

Executive Session

There was no executive session.

Adjourned

There being no additional general session items to discuss, the Market Surveillance Committee meeting was adjourned at approximately 4:15 p.m.

The MSC has approved these Minutes of the November 19, 2010, MSC Meeting at the following MSC Meeting:

Date of approval: March 18, 2011