

Market Update Call Meeting Minutes

January 11, 2024¹

Agenda

- 1) Updates and Meeting Minutes Review – Jennie Araj
- 2) Weekly Performance Report – Jennie Araj
- 3) Price Correction Reports – Jennie Araj
- 4) General Questions/Comments – Jennie Araj

Updates

None

Bi-Weekly Market Performance Report

The CAISO posted the bi-weekly market performance report for December 20, 2023 - January 2, 2024. The maximum day-ahead cleared demand was 29,420 MW and the maximum day-ahead DLAP price was \$67.04/MWh for the two weeks. The reasons for the price excursions in the fifteen-minute and five-minute markets are documented.

Review of the Price Correction Report

During the week of December 18-22, 2023, the CAISO processed 58 intervals for price correction due to software defects. During the week of December 25-29, 2023, the CAISO processed two intervals for price correction due to software defects.

General Questions

Q: Can the ISO discuss why there are so many DC solutions in real-time recently and will there be price corrections for these events?

A: The ISO has a process where there are real-time operations engineers on staff 24 hours a day, that first try to assess the DC solutions and propose a solution. If the real-time engineer cannot resolve the DC solution, then a call is made to on-call IT personnel to assist. DC solutions can be challenging to resolve because it involves modeling and flows across the entire Western interconnection. For the DC solutions from Jan 5-7, there was problematic load outside of California that showed up each day. Our IT personnel were able to implement a solution to address this. DC solutions are a valid solution and permitted by the ISO Tariff and there will not be price corrections for these events.

Q: Are the DC solutions the reason for high prices recently?

A: No, DC solutions do not cause high energy prices. Intervals with a DC solution will not have transmission losses so the marginal cost of loss component of the LMP will be \$0.

Q: Can the ISO provide more details on the market disruptions on December 17 and December 28?

A: The events on December 17 and December 28 did not meet the Tariff definition of a market disruption so administrative pricing was not used. On December 17, IT personnel determine there needed to be a full restart of the real-time market application to ensure that runs were issued on a timely basis. On

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.

December 28, a resource dispatch was causing the solutions to fail. In these instances, the ISO can make a resource non-participating for a short time to resolve the issue. Prices on OASIS are finalized for these trade dates.

Q: Can you resolve the discrepancy between the conference details on the CAISO calendar and the agenda for this meeting?

A: Yes, we can resolve that issue for the next meeting.