

PG&E Comments - Exceptional Dispatch Whitepaper

Submitted July 1, 2010

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Sent: Thursday, July 01, 2010 4:30 PM

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Subject: PG&E Comments - Exceptional Dispatch Whitepaper 6/10/10

PG&E appreciates the significant efforts and process changes that the CAISO has taken since the start of MRTU to reduce the need for Exceptional Dispatches. In response to the June 10, 2010 Exceptional Dispatch Review and Assessment Whitepaper and June 17, 2010 stakeholder meeting, outlined below are PG&E comments. These reflect similar comments submitted by PG&E on December 30, 2009.

- The recent volumes of Exceptional Dispatch have trended down to generally less than 0.5% of load by volume. PG&E requests that the CAISO review the practices and results of other ISO's to establish benchmarks that may help inform the CAISO and stakeholders about this relative level, and the expected need for further reductions, if any.
- In seeking future improvements, CAISO should recognize the costs of the potential changes and the expected benefits. It may not be cost effective to drive the number of Exceptional Dispatches to zero.
- And significantly, it may not be practical or possible for the CAISO market software to model *all* potential operational constraints that require human insight and intervention. It is preferable that the CAISO dispatchers retain the ability and authority to review the market solutions and, if necessary, intervene to assure sound dispatches. However such interventions should be done in a transparent manner and guided by clear operator procedures.
- For follow-up or questions, please contact Derick Stowe (415-973-5662) or Glenn Goldbeck (415-973-3235).