2.3.1 Day-Ahead Market Processes

2.3.1.1 Day-Ahead Market Power Mitigation (MPM)

MPM is the first market process in the Day-Ahead Market. The MPM function consists of a test to determine which Bids to mitigate to address non-competitive constraints. The details of the test are provided in Section 6.5.1. If the test fails, the MPM mitigates the affected Bids for the relevant Trading Hours of the Trading Day. The MPM function is performed prior to the Integrated Forward Market process. Please refer to Section 6.5, Market Power Mitigation for a more detailed description of this process.

Virtual Bids will not be included or considered in MPM-RRD. Consequently RMR commitment is not affected by Convergence Bidding.

2.3.2 Real-Time Processes

2.3.2.1 Market Power Mitigation

The MPM functions for Real-Time (including HASP and RTUC) are analogous to the same function that is performed for the DAM. For Real-Time, the MPM functions cover the Trading Hour and the resultant mitigated Bids are then used by the remaining Real-Time processes including HASP and the RTM. Refer to Section 7.4, MPM for Real-Time.

The Day-Ahead Market and the HASP and Real-Time Market require separate Bid submissions. MPM re-evaluates all Bids in HASP/RTM/Real-Time.

Mitigation in the DAM is a separate process from Real-Time mitigation. As a result, a Bid could be mitigated in the DAM but not be mitigated in the RTM, and vice versa.
6.5.3 Competitive Path Criteria

This is based on CAISO Tariff Sections 39.7.2.2 and 39.7.3.

6.5.3.1 Competitive Path Criteria for the Day Ahead Market

As part of each Day-Ahead Market MPM run, an in-line dynamic competitive/non-competitive designation calculation (dynamic competitive path assessment or DCPA) determines whether a constraint is non-competitive. A Transmission Constraint will be competitive by default unless the Transmission Constraint is determined to be non-competitive as part of this calculation. This will occur when the maximum available supply of counter-flow to the Transmission Constraint from all portfolios of suppliers that are not identified as potentially pivotal is less than the demand for counter-flow.

If, for some reason, the DCPA is unable to function, the MPM will rely on a default competitive path list which is compiled based on historical analysis of congestion and previous DCPA results on each Transmission Constraint.

6.5.3.2 Competitive Path Criteria for the HASP and Real-Time Market

A transmission Constraint is deemed competitive if no three unaffiliated suppliers are jointly pivotal in relieving Congestion on that constraint. The determination of whether or not the pivotal supplier criteria for an individual constraint are violated is assessed using the Feasibility Index described below.

Assessment of competitiveness is performed assuming various system conditions potentially including, but not limited to, season, Load, planned transmission and resource Outages. If an individual constraint fails the pivotal supplier criteria under any of these system conditions, the constraint is deemed uncompetitive for the entire year under all system conditions until a subsequent assessment deems the constraint competitive.

In general, a constraint may be an individual transmission line or a collection of lines that create distinct transmission Constraints. For purposes of the competitive assessment, the set of Constraints that are consistent with those included in the network model, are modeled along with transmission limits enforced in the FNM.

Competitive path assessment is conducted on an annual basis. However, if there is a significant change in the transmission or Generation infrastructure, the assessment may be carried out (and the results implemented) sooner.

For a detailed process description for the competitive path criteria, Refer to Appendix Attachment B.
6.7.2.7 RUC Availability Bids

Participation in RUC is validated by the RUC eligibility designation contained in the Master File. Generating Units (except for certain exempt Use Limited Resources), Dynamic System Resources and Resource-Specific System Resources are designated as eligible for RUC. Non-Resource-Specific, non-Dynamic System Resources are designated as NOT eligible for RUC. SCs may only submit RUC Availability Bids (above the Minimum Load) for which they show also submit an Energy Bid to participate in the IFM. Scheduling Coordinators may submit RUC Availability Bids on behalf of eligible capacity that is not subject to a RUC obligation. The CAISO will optimize all RA Capacity from Generating Units, Imports or System Resources at $0/MW per hour for the full amount of RA Capacity for a given resource. SCs may submit non-zero RUC Availability Bids for the portion of a resource’s capacity that is not RA Capacity.

A RUC Availability Bid is a ($/MW, MW) pair. The meaning of a RUC Availability Bid differs depending on whether the resource that submits the RUC Availability Bid has a Resource Adequacy obligation. If a resource does not have a RA obligation, the Scheduling Coordinator has the option of submitting a RUC Availability Bid pursuant to the rules in Section 30.5.2.7 of the CAISO tariff and Section 7.1 of the BPM for Market Instruments. If a resource has a RA obligation, a certain amount of capacity of this resource is registered with CAISO as RA Capacity. RA Capacity that is not a hydroelectric Generating Unit, Pumping Load or Non-Dispatchable Use-Limited Resource exempt from the RUC obligation pursuant to CAISO Tariff section 40.6.4.3.2, must also participate in both the IFM and the RUC processes. Moreover, the RA Capacity must participate in the RUC process with a $0/MW RUC Availability Bid for the entire RA Capacity. This $0/MW RUC Availability Bid is generated by the CAISO on behalf of resources with a RUC obligation.

An SC need not submit a RUC Availability Bid for a Generating Unit or System Resource for the portion of the resource capacity that is under RUC obligation. For these resources that are obligated to offer their RA Capacity to RUC pursuant to Section 40.6 of the Tariff, RUC will automatically insert a RUC Availability Bid for the applicable RA Capacity and that bid will be equal to $0/MWh. In the event that a Generating Unit or System Resource only has part of its capacity designated as RA Capacity, the SC may only submit a RUC Availability Bid for any non-RA Capacity for that resource. The RUC Availability bid used in RUC will be constructed as follows: from the higher of the Minimum Load or the IFM Schedule up to the RA Capacity minus any Regulation Up/ Spin/ Non-Spin awards, a $0/MWh bid is created for any unused portion of the resource’s RA Capacity. Any submitted RUC Availability Bid is then put on top at the submitted price. For Use-Limited Resources that are not exempt from the RUC obligation, the ISO will create a RUC Availability Bid consistent with the resources’ RA capacity offered into the Day-Ahead Market through their Bids.
As stated in CAISO Tariff Section 40.6.4.3.2 "Hydro and Non-Dispatchable Use Limited Resources", Hydro resources and Non-Dispatchable Use-Limited Resources are required to submit Self-Schedule or Bids in the Day-Ahead Market for their expected available Energy or their expected as-available Energy, as applicable, in the Day-Ahead Market and HASP. Hydro resources and Non-Dispatchable Use-Limited Resources are not subject to commitment in the RUC process.

The RUC bidding requirements applicable to RA Capacity are described in more detail in the BPM for Reliability Requirements.

The total amount of RUC Capacity (which considers both the RA Capacity plus the submitted RUC Availability Bid quantity for an RA resource) is limited by the upper operating limit minus the sum of Day-Ahead Schedule and the upward Ancillary Service Awards. In other words, the sum of the DAM Energy Schedule, the upward Ancillary Service Awards including Ancillary self-provisions, and the RUC Award is limited by the upper operating limit.

If a resource is determined to have an RMR requirement by the RRD and LMPM process (either by the CAISO Operator or the DAM software) for an hour in the Day-Ahead, and if any portion of the RMR requirement has not been cleared in the IFM by the Scheduled Demand, the entire amount of RMR requirement are represented as a RMR Self-Schedule in the RUC to avoid over-committing other resources.

While IFM honors multi-hour Intertie Block Bids when procuring Energy, post IFM processes (RUC, HASP, and RTM) are not designed to enforce multi-hour block constraints. Therefore, RUC evaluates all intertie RUC Availability and HASP evaluates System Resource Energy Bids on an hourly basis instead of a multi-hour block basis.

Exhibit 6-4 defines the RUC Capacity that is available on a Generator that has been scheduled by the IFM. This Generator is also providing AS.

### 6.7.4.2 RUC Capacity and RUC Awards

RUC Capacity and RUC Awards are determined as follows:

- RUC Capacity is the positive difference between the RUC Schedule and the greater of the Day-Ahead Schedule or the Minimum Load of a resource.

- The portion of the capacity that corresponds to the Minimum Load is not considered RUC Capacity and it is not eligible for RUC Bid Cost compensation since the Minimum Load Energy is compensated at the Minimum Load Cost in Bid Cost Recovery. For
Extremely Long-Start Resources committed in the following forward trade days of the time horizon, only capacity up to Minimum Load will be committed.

- The portion of the RUC Capacity from a RMR unit that is used in the RUC optimization to meet CFCD is not eligible for RUC Award since the capacity is already compensated through RMR Contract. The RMR requirements are re-evaluated in the Real-Time MPM/RRD.

- The portion of the RUC Capacity that corresponds to RA RUC obligation is also not eligible for RUC Award.

- Any RUC Capacity in excess of RMR Capacity or RA RUC obligation is considered a RUC Award eligible for RUC Payment.

CAISO only issues start-up instructions to Long-Start Units and Extremely Long-Start Resources that must be started sufficiently in advance of real time to meet Real-Time Demand. For Extremely Long-Start Resources, advisory start-up instructions may be issued for start times up to the end of the time horizon. However, these instructions will only be binding after confirmed by the CAISO operator and if the resource’s startup time prevents its re-evaluation in the following day’s IFM/RUC run. For other units, the CAISO re-evaluates their commitment decisions in STUC, HASP and RTUC. However, the RUC Schedule determined by RUC is made available to the relevant SCs even if a RUC Start-Up instruction is not issued in the DAM.

7.4 MPM for Real-Time

This section is based on CAISO Tariff Sections 33.4 (MPM for the HASP) and 34.2.3 (MPM for the HASP and the RTM, including RTUC). For a given Trading Hour, MPM is performed separately in the HASP process and in the RTUC processes.

After the Market Close of HASP and RTM, after CAISO validates the Bids pursuant to CAISO Tariff Section 30.7 (of the CAISO Tariff), and prior to running the HASP optimization, the CAISO conducts the MPM process, the results of which are utilized in the HASP optimization. Although the RTUC MPM process is separate, the mitigation results from HASP are used as inputs to the advisory intervals of the next two RTUC runs as discussed below, and all RTM processes for the Trading Hour.

In RTUC, the MPM process starts with the first advisory interval of each RTUC run. RTUC performs a DCPA based on the results of this interval in a similar fashion to the DPCA.
performed for HASP. The results of this interval are applied to the binding interval of the following RTUC run. For a given hour, a Bid that is not mitigated in one RTUC run may be mitigated in a subsequent RTUC run for the same hour. Once a resource’s bid is mitigated in a RTUC run, the mitigated Bid applies for the remainder of the applicable hour and cannot be unmitigated by subsequent RTUC runs. However, a Bid may be mitigated further to a lower price in a subsequent RTUC run for the applicable hour, but never below the Default Energy Bid.

Any bids mitigated in RTUC, or mitigated further in a subsequent RTUC run, will be used by the corresponding RTD intervals (for example, mitigation for interval: :00-:15 applies to RTD intervals: :00-:05, :05-:10, and :10-:15).

For a given hour, RTUC MPM starts with the five-interval RTUC run for which the results apply to the next run, the four-interval RTUC. The mitigation follows in subsequent runs, ending with the STUC run for which the results will apply to the first interval of the five-interval RTUC. The following graphically illustrates this process.

**Exhibit 7-1: Real-time MPM timeline for trading hour TH**
Bids mitigated in HASP MPM for TH are used by HASP and are passed to advisory intervals of next two RTUC runs.

For TH, Mitigated bids are used by STUC and passed along to next RTUC.

RTUC runs for last 3 intervals in TH, Bids previously mitigated by HASP are NOT passed along.

Mitigation based on clean bid set.

STUC (RTUC #2)

Bids mitigated in RTUC are used by subsequent RTUC runs for all intervals in TH. Bids previously mitigated by HASP are NOT passed along.

RTUC MPM in first advisory interval.

Similar process occurs between STUC and the next RTUC for last interval in TH.

STUC (RTUC #2)
The features of the Real-TimeTM MPM are as follows:

For HASP and RTUC:

- The HASP MPM in RTM occurs immediately after the RTM close of bidding at 75’ before the Trading Hour.
- The Time Horizon for MPM in RTM is 60 minutes (i.e., from T to T+60’).
- The CAISO Forecast of CAISO Demand time resolution in RTM is 15 minutes.
- Each market interval for MPM in RTM is 15 minutes.
- Bids on behalf of dispatchable pumps, Non-Generator Resources, Participating Load, Demand Response Resources and other forms of bid in demand are considered in the MPM process as part of the power balance equation; however, the bids are not subject to mitigation.

For HASP only:

- The HASP MPM in RTM occurs immediately after the RTM close of bidding at 75’ before the Trading Hour.
- The Energy Bid mitigation in the HASP RTM is first performed on a 15-minute basis; and then the four 15-minute mitigated Bids for each resource are synthesized to produce the hourly mitigated Bid as follows:

  A single mitigated Bid for the entire Trading Hour is calculated using the minimum Bid price of the four mitigated Bid curves at each Bid quantity level.

  For both Condition 1 and Condition 2 RMR Units, when mitigation is triggered, a single RMR Proxy Bid for the entire Trading Hour is calculated using the same methodology described as for non-RMR Units. The RMR Proxy Bid will be utilized in both the HASP optimization and all RTM processes for the Trading Hour.

- Virtual Bids and Bids on behalf of Demand Response Resource resources are considered in MPM process as part of the power balance equation; however, the bids are not subject to mitigation.

- If a Condition 2 RMR Unit is issued a Manual RMR Dispatch by the CAISO, then RMR Proxy Bids for all of the unit’s Maximum Net Dependable Capacity will be considered in the MPM process.
For a Condition 1 RMR Unit that has submitted Bids and has not been issued a Manual RMR Dispatch, to the extent that the non-competitive Congestion component of an LMP calculated in the MPM process is greater than zero, and that MPM process dispatches a Condition 1 RMR Unit at a level such that some portion of its market Bid exceeds the Competitive LMP at the RMR Unit’s Location, the resource will be flagged as an RMR dispatch if it is dispatched at a level higher than the dispatch level determined by the Competitive LMP.

Refer to section 6.5 for details on the MPM process.

### 7.4.1 Example

The following steps describe the business process and data flows for the HASP and RTUC mitigation using an example starting from a HASP run.

**HASP run time horizon: 00:15 – 2:00:**

The periodic run that includes HASP has seven 15-min. intervals, three of which are before the HASP hour. The first three intervals before the HASP hour depend on mitigation results from previous RTUC runs (and even the previous hour’s HASP) that were applicable for that hour. In other words, the bids used for the current hour (00:15-01:00) could have been mitigated by the previous RTUC mitigation already.

**Assumptions:**

**Resource A:**

- For 00:15 – 01:00, the unit was mitigated by the previous RTUC mitigation run. Its mitigated bid is $40 and, SIBR clean bid was $140.
- For 01:00 – 02:00, its SIBR clean bid is $145;

**Resource B:**

- For 00:15 – 01:00, the unit’s SIBR clean bid is $60 (not mitigated by previous RTUC mitigation so it is the clean bid);
- For 01:00 – 02:00, its SIBR clean bid is $65;

**Step 1 (HASP):**

Each HASP run is separated into three steps: (1.1) pre-HASP mitigation; (1.2) HASP SCUC; and (1.3) RTUC mitigation.

**Step 1.1. Pre-HASP mitigation**
For each HASP trading hour, the pre-HASP mitigation shall be performed to obtain an hourly bid curve for each generation resource, mitigated or not:

Example after step 1.1.

Resource A’s bid for 01:00 – 02:00 is mitigated from $145 to $45; (using the lowest bid curve segments); Resource B’s bid for 01:00 – 02:00 is $65;

Effectively for 01:00 – 02:00, Resource A is mitigated and resource B is not.

Inputs to step 1.2 are as follows:

- Resource A’s bid for 00:15 – 01:00 is $40;
- Resource A’s bid for 01:00 – 02:00 is $45;
- Resource B’s bid for 00:15 – 01:00 is $60;
- Resource B’s bid for 01:00 – 02:00 is $65;

Pre-HASP mitigation only mitigates bids for the HASP trading hour. The bid set will be used in HASP SCUC in step 1.2.

Step 1.2. HASP SCUC

HASP SCUC uses the bid set from pre-HASP mitigation to perform the unit commitment, AS procurement for internal generators, AND the inter-tie scheduling and AS imports for the HASP binding hour.

Step 1.3. RTUC mitigation

After the HASP SCUC run, an in-line DCPA and MPM process will be performed to decide on mitigation for bids applicable to the second interval of the HASP run time horizon. In our example, this interval is 00:30 – 00:45.

In this mitigation, all bid curves (mitigated or not) from the previous RTUC mitigation will be evaluated for mitigation purposes.

Example of input bids to step 1.3:

Resource A’s previously mitigated bid for 00:30 – 01:00 is $40;
Resource B’s SIBR clean bid for 00:30 – 01:00 is $60.

Assume that resource A is mitigated to $35 and resource B is mitigated to $50.

The output bid set of the step 1.3 will be:

- Resource A’s bid for 00:30 – 01:00 is $35;
- Resource A's bid for 01:00 – 02:00 is $45; (this will not be changed by the RTUC mitigation process)
- Resource B’s bid for 00:30 – 01:00 is $50;
- Resource B’s bid for 01:00 – 02:00 is $65; (this will not be changed by the RTUC mitigation process)

This bid set will be used in the next RTUC run (step 2.1). The same bid set will be also passed to the three RTD runs with binding intervals of 00:30 – 00:35, 00:35 – 00:40, and 00:40 – 00:45, respectively, using our example.

Step 2 (STUC):
For the next RTUC run (STUC) after HASP, step 2 is separated into two steps: (2.1) RTUC SCUC; and (2.2) RTUC mitigation.

Step 2.1. RTUC SCUC
RTUC procure AS for the binding interval and makes binding unit commitment decisions for the horizon. However, the bid set used is passed from the previous HASP or RTUC which may have been mitigated by the previous HASP or RTUC mitigation.

In our example, the RTUC run for 00:30 – 5:00 will use the bid set passed from HASP step 1.3 for the period of 00:30 – 2:00.

Step 2.2. RTUC Mitigation
After the RTUC SCUC run, an in-line DCPA and MPM process will be performed to decide on the mitigation for bids applicable to the second interval of the RTUC horizon. In our example, this interval is 00:45 – 01:00.

In this mitigation, all mitigated bid curves (mitigated or not) from previous RTUC mitigation will be evaluated for mitigation purpose.

Input bids to step 2.2,
- Resource A's mitigated bid for 00:45 – 01:00 is $35;
- Resource A’s mitigated bid for 01:00 – 02:00 is $45;
- Resource B’s mitigated bid for 00:45 – 01:00 is $50;
- Resource B’s mitigated bid for 01:00 – 02:00 is $65;

Assume that resource B is mitigated to $40. The output bid set of step 2.2 will be:
- Resource A's bid for 00:45 – 01:00 is $35;
- Resource A's bid for 01:00 – 02:00 is $45; (this will not be changed by the RTUC mitigation process)
- Resource B’s bid for 00:45 – 01:00 is $40;
- Resource B’s bid for 01:00 – 02:00 is $65; (this will not be changed by the RTUC mitigation process)

This bid set will be passed to the five-interval RTUC run (00:45 – 02:00) in step 3.1 as well as the three RTD runs with binding intervals of 00:45 – 00:50, (00:50, 00:55), (00:55, 01:00), respectively, using our example.

Step 3 (five-interval RTUC):

For the next RTUC run (the five-interval run) after STUC, similar logic as in step 2 applies. Step 3 is separated into two steps: (3.1) RTUC SCUC; and (3.2) RTUC mitigation. The only difference between step 2 and step 3 is that the second interval of this run under step 3 is now the first interval in the binding Trading Hour of the HASP. Therefore, this is the first RTUC run for which the previously mitigated bid curve from pre-HASP will be re-evaluated for potential mitigation. Once the RTUC second interval falls within the HASP hour, the RTUC will re-evaluate for market power. Clean bids shall be used.

Step 3.1. RTUC SCUC

RTUC procures AS for the binding interval and makes binding commitment decisions for the horizon. However, the bid set used is passed from the previous HASP or RTUC which may have been mitigated by the previous HASP or RTUC mitigation. In this example, it is the bid set from step 2.2.

Step 3.2 RTUC Mitigation

After the RTUC SCUC run, an in-line DCPA and MPM process will be performed to determine the mitigation for bids applicable to the second interval of the RTUC horizon. In our example, this interval is 01:00 – 01:15.

In this mitigation, resources (mitigated or not) from previous RTUC mitigation will be evaluated based on their SIBR clean bids for mitigation purposes. It is important to point out that, due to the nature of the flow described above, this five-interval run uses the previously mitigated bid curve for unit commitment purposes. The binding interval mitigated bids were created by the last RTUC and used for commitment for the binding interval. RTUC performs mitigation in the second interval based on the original SIBR clean bids.
Inputs to step 3.2 are as follows.

- Resource A’s SIBR clean bid for 01:00 – 02:00 is $145; (reverts to clean bid)
- Resource B’s SIBR clean bid for 01:00 – 02:00 is $65.

Assume that resource A is mitigated to $30 and resource B is mitigated to $25.

The output bid set of step 3.2 will be,

- Resource A’s bid for 01:00 – 02:00 is $30;
- Resource B’s bid for 01:00 – 02:00 is $25.

This bid set will be passed to the four-interval RTUC run (01:00 – 02:00) in step 4 as well as the three RTD runs with binding intervals of 01:00 – 01:05, 01:05, 01:10, and 01:10, 01:15, respectively, under this example. Note that, since both resource A and resource B are mitigated for the 01:00 – 01:15 interval, their mitigated bids will be carried to the rest of the hour and will be subject to the mitigation evaluation applicable to later RTUC runs.

Step 4 (four-interval RTUC):

The next RTUC run (four-interval run) will be similar to the RTUC runs described above and will perform the RTUC, SCUC, and RTUC mitigation steps on a rolling-forward basis.

7.5.4 HASP Constraints & Objectives

This section is based on CAISO Tariff Section 33.2, The HASP Optimization.

After the HASP and RTM Market Close for the relevant Trading Hour, the Bids have been validated and the MPM-RRD process has been performed, the HASP optimization determines feasible HASP Advisory Schedules and Ancillary Service awards for Generating Units and Dynamic System Resource for each 15-minute interval of the Trading Hour, as well as hourly HASP Intertie Schedules and AS awards from Non-Dynamic System Resources for that Trading Hour.
HASP, like the other runs of RTUC, utilizes the same SCUC optimization and FNM as IFM, with FNM updated to reflect changes in system conditions as appropriate, to ensure that HASP Intertie Schedules are feasible.

Instead of clearing against Demand Bids as in IFM, HASP clears Supply against the CAISO Forecast of CAISO Demand plus submitted Export Bids. The HASP optimization also factors in forecasted unscheduled flow at the Scheduling Points. Note, self-schedules for export Resources will be given the same scheduling priority as internal price taker demand when validated to be supported by non-RA capacity, and will be given a lower price taker priority when supported by RA capacity.

HASP optimization produces Settlement prices for hourly imports and exports to and from the CAISO Balancing Authority Area reflected in the HASP Intertie Schedule and for the HASP AS Awards for System Resources.

Exhibit 7-3 illustrates how the Market Clearing Price for Energy for a HASP time interval is calculated for the case with no Marginal Losses and no Congestion. In this scenario all the LMPs for Energy have the same value, equal to the MCP.

The major difference between this exhibit and the corresponding Exhibit 6-3 for DAM is that RTM has no Demand Bids. Therefore the MCP is established by the Supply curve and the total Real-Time Demand.

### 8.1.2 General Scope of Price Corrections

Prices may be corrected when (i) a market solution is determined to be invalid, or (ii) invalid prices are identified in an otherwise valid market solution. The following are some reasons that may be the causes of these conditions:

- **Data Input failure.** Missing or incorrect versions of one or more data elements input to the market applications may result in an invalid market solution and/or prices. State Estimator data, in particular, may be a cause of Real-Time Market validation problems, and will be a focus of the validation effort.

- **Hardware/Software failure.** While CAISO has designed a very high degree of reliability into the CAISO Market systems’ architecture, the market run may fail to yield a converged solution in all executions. This may be due to hardware or software failure, planned market systems outages, or simply a failure of the Security Constrained Unit Commitment (SCUC) optimization software to converge. In any case, such events result
in an invalid or non-existent market solution, for which corrected prices will be determined after-the-fact, per Section 8.1.4 below.

- **Inconsistency with Tariff.** A third category of invalid market solution or incorrect price calculations is related to the correct application of market rules, per CAISO Tariff. Market results will be validated to be consistent with CAISO Tariff, and where applicable, prices may be corrected to meet this goal. This includes, but is not limited to ensuring that (i) price setting resources are eligible to do so, and (ii) binding constraints are applied (or relaxed) in the appropriate priority order.

Following are some qualifications to the scope of price corrections:

- Price anomalies, or price spikes, due to scarcity of resource bids will not be a cause for price corrections.

- The extent to which bids are mitigated in the MPM process has a direct impact on the market clearing prices in the IFM or HASP/RTUC/RTED. Therefore, these SCUC solutions will be subject to market validation principles. However, it should be noted that prices resulting from the MPM/RRD SCUC passes are not themselves validated, as these prices are not used for settlement.

- Advisory HASP prices are not directly in scope for price correction. However, as part of the price correction process for binding HASP and RTUC prices, if a price correction action is taken that involves re-running the market or otherwise generates a new market solution affecting advisory prices, the HASP revised advisory prices will be updated on the OASIS.

- Prices for Exceptional Dispatch instructions will not be subject to the price correction framework, as they will not be the output of the market engine.

- Hourly weighted average LMP’s and 10-minute settlement prices will be corrected, as applicable, when 5-minute RTED prices are corrected. These prices are not directly subject to the price correction process, but will remain synchronized with the validated 5-minute prices as they are systematically derived by the corrected 5-minute prices.

- If CAISO corrects a PNode price, it will update the corresponding LAP / Trading Hub prices accordingly.