

Attachment 5

Summary Report - Violations / Errors
December 2016 to December 2017

Issue #	Issue Date	Brief Description of Issue	Financial Impact	Responsible Group(s)	Steps Taken to Prevent Recurrence / Corrective Actions	Issue Category				
						Communication	Policy	Procedures	Personnel / Training	Regulatory Compliance
1	12/9/2016	A counterparty was removed from the approved counterparty list after the termination of an enabling agreement (NAESS) but was not removed from the electronic platform (ICE) used for natural gas transactions. The non-removal from ICE allowed for a natural gas trade with the counterparty that was no longer on the approved counterparty list which is a violation of Energy and Credit Risk Management Policy. Also, the email notification on the removal of the counterparty from the authorized list that was sent prior to the incident did not advise staff to update all related systems accordingly.	Total cost of transaction with the counterparty not on the approved counterparty list was \$7,700 (2,000 MMBtu at \$3.85/MMBtu).	Energy Settlements Group (Back Office) - Policy Energy Risk & Credit Group (Middle Office) - Communication	The responsibility for configuring and removing counterparties on ICE was moved from the Back Office to the Middle Office. The Energy and Credit Risk Manager who is responsible for credit management and updating the approved counterparty list is now the ICE Administrator. Also, new email notifications relating to updated authorized counterparty list will include instructions to update pertinent systems.	X	X			
2	12/29/2016	A Pre-scheduler made an error in submitting the self-schedule for GT-3 generating unit which invalidated the self-schedule and economic bid for the unit in the CAISO Day-Ahead market.	-\$647.39 (in reduced revenues)	Trading Group (Pre-scheduling)	The responsible Pre-scheduler who self-reported the error has been advised to double check work after submittal to the CAISO system. Also, the processes were update for peer review prior to submittal and the ETRM system was updated to include alerts for invalid schedules.		X		X	
3	12/29/2016	The actual testing hours for the GT-3 generating unit was less than previously estimated by the Power Plant staff which resulted in purchase of excess natural gas.	Excess natural gas was sold at a penny (\$.01 per MMBtu) more than cost.	Power Plant	The Trading Group and Power Plant have improved processes to ensure timely and accurate forecast of generating unit test periods as well as appropriate natural gas procurements.			X		
4	12/30/2016	An ACES Real-time Trader did not follow instructions to update the outage management system ("OMS") and adjust OMS ticket before Day-Ahead clearing to reflect the availability of GT-5 unit.	-\$39.38 (In reduced revenues. Received FMM price instead of DA price)	ACES	The ACES Real-time Trader was provided additional training on how OMS affects Day-Ahead clearings. Also, ACES and PWP updated existing procedures to enhance business practices and better define roles that will prevent similar incidents in the future.			X	X	
5	12/31/2016	Incomplete scheduling of intra-day natural gas purchase which resulted in the natural gas not being delivered and caused imbalances that were outside of Low OFO tolerances allowed by the SoCal Gas Company.	OFO imbalance trade resulted in a net savings due to lower price on gas purchased next business day.	Trading Group (Pre-scheduling)	The responsible Pre-scheduler who self-reported the error was reminded of the need to complete tasks as specified under existing procedures.				X	
6	1/15/2017	PWP received an email notice from the CAISO that its 2018 Flexible Capacity Needs Assessment data template was not submitted through the Customer Inquiry, Dispute and Information ("CID") by the January 15, 2017 deadline. As a Schedule Coordinator for a Load Serving Entity, PWP is required to file its assessment data template in a timely manner in the CID.	No penalties have been assessed to date. Penalties of \$500 per day, per resource may be assessed per the CAISO Tariff, Section 37.6.1.	Power Resource Planning Group	Per the Power Resource Planning Group, the filing was made prior to the January 15, 2017 deadline. PWP is looking out for any related penalties before continuing the matter.				X	X

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7	1/17/2017	A Pre-scheduler made a scheduling error by not scheduling GT3 in the CAISO Day-Ahead market for a RATA test for 8 hours.	-\$732.17 (in reduced revenues)	Trading Group (Pre-scheduling)	Upon discovery, the responsible Pre-scheduler who self-reported the error advised ACES to correct the error in real-time. The Pre-scheduler was reminded of the need to follow existing procedures. The Trading Group also used this opportunity to improve communication with the Power Plant regarding scheduled RATA tests.				X	
8	1/17/2017	ACES made a decision not to follow the CAISO ADS instructions for GT-5 generating unit. ACES did not also instruct the Power Plant staff to start the GT-5 unit for a market award.	\$2,302.94 (cost increase)	ACES	ACES was advised to follow ADS instructions except when they receive a formal notice from the CAISO canceling the instructions. The Power Dispatch Group was also advised not to disregard continuous ADS instructions after several hours.			X		
9	1/26/2017	ACES misinterpreted the 11-point incremental curve for GT-5 unit that was provided by PWP and submitted incorrect economic bids to the CAISO for GT-5 unit.	No financial impact. The unit was never dispatched above minimum load where the bid prices would have come into effect.	ACES	ACES API only supports 10-point incremental curve. ACES has taken note of this error and implemented necessary changes to match PWP's incremental curve as well as allow for an 11-point curve for economic bids.			X		
10	12/17/2016 to 2/9/2017	ACES RT was bidding B-3 generating unit into the CAISO real-time market from 12/17/2016 to 2/9/2017 after the unit was put on outage and taken out of service.	\$72 (cost increase)	ACES	ACES was notified to stop submitting economic bids for B-3 unit. ACES thought there was a two month overlap between the operations of B-3 unit and the newly installed GT-5 unit. ACES has stopped bidding B-3 as of February 10, 2017.	X			X	
11	2/20/2017	The Power Plant did not provide proper notice to ACES on a forced outage on GT-4 unit. As a result, ACES did not have the necessary information to update the Outage Management System ("OMS") in a timely manner.	\$47.60 (Cost decrease in PWP's favor)	Power Plant	The responsible Power Plant Operator was reminded of the importance of providing the outage status of the generating units in a timely manner. A refresher training will be provided on market operations. Existing procedures will be refined and updated to ensure that market issues as well as PWP's obligations to the CAISO market are fully addressed.				X	
12	2/21/2017	The Power Dispatch group was about 2 hours late to notify the Power Plant Operators to start GT-3 and GT-4 generating units per the ADS instructions from the CAISO.	\$659.64 (Net savings. Bought back energy at a lower cost)	Power Dispatch	The Power Dispatcher on duty did not follow procedures and have been reminded of the importance of timely communication of ADS instructions in the future.				X	
13	3/13/2017	ACES did not properly modify the OMS for an outage relating GT-5	\$754.60 (cost increase)	ACES	Under Review			X		
14	3/14/2017	PWP received an email notice (Warning Notification Letter) from the CAISO that GT-3 unit failed the Compliance Test conducted on March 14, 2017 for Non-Split.	No penalties charged by the CAISO.	Power Plant / Power Dispatch	New procedures have been implemented for unannounced testing of the local generating units and to improve communication. A re-test has been scheduled for April 13, 2017.			X	X	X

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15	4/4/2017	ACES did not follow their existing procedures for substitution of RA resources and did not substitute for GT-1 unit forced outage within the timeframe specified under their guidelines and the CAISO protocol.	No financial impact or penalties charged by the CAISO.	ACES	PWP Trading Group has discussed with ACES the importance of substitution of (flexible and generic) RA resources in a timely manner to avoid potential RAAIM availability payments or penalties, and ACES has communicated new procedures to staff and trading desk.		X		X	
16	4/4/2017 to 4/6/2017	ACES submitted incorrect Hoover import offers from HE 23 on 4/4/17 through HE 15 on 4/6/17.	-\$65.15 (in lost revenues)	ACES	ACES has reinforced to the responsible Trader the importance of following PWP's interdepartmental memo. In addition, ACES Manager of Operations provided a one-on-one training on dissecting what happened to the responsible Trader and revisited the importance of why the OFO adders need to be double-checked.				X	
17	4/5/2017	ACES did not update the RT generation bids to include the appropriate adder after a low OFO Stage 1, 5% was called by the SoCal Gas on 4/5/2017.	\$1,313 (cost increase) (5,252.6 MMBtu @\$0.25/MMBtu)	ACES	The responsible ACES individual updated the position sheet to reflect the low OFO adder and loaded it into ACES market interface, but did not submit it to the portal. Issue is under review.		X		X	
18	4/10/2017	The de-rate and re-rate procedures for GT-5 was not followed on 4/10/2017. The Power Plant Control Room Operator did not inform ACES or send out a timely email on the operational status of the unit.	\$1,014.66 (Favorable outcome)	Power Plant	Power Plant Operators are aware of the procedures to submit the de-rate and re-rate for GT-5 unit as soon as the unit starts up or shuts down. The responsible operator was distracted with other duties and did not follow current procedures. A new consolidated procedural document has been completed to address this type of issue. Power Plant employees including the responsible operator have certified that have received and understood the new procedural document.				X	
19	4/10/2017	A Power Plant Engineer scheduled a NOx RATA test on GT-3 unit that was not due until the 3rd quarter of 2017 and had to cancel the test upon realization of the mistake. The issue resulted into a purchase and sale of natural gas.	No financial impact. The natural gas that was bought for the test was held off for a day and sold the next morning at intraday at the same price.	Power Plant - Engineering	Issue was brought to the attention of the Power Plant Manager. Power Plant management now reviews all required environmental tests at their weekly staff meetings.				X	
20	4/18/17 - 4/20/2017	IPP OMS Ticket was not updated to reflect full capability of IPP Unit 1 after it returned from outage.	\$102.40 (cost increase)	ACES	The Real-time Trader who did not adjust the IPP OMS ticket was counseled one-on-one and this instance was brought to the attention of the entire group at ACES to emphasize the importance of OMS accuracy. This error has been reported to the ACES Risk Management Committee. An appropriate disciplinary action is expected to be levied against the Real-time Trader.				X	

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21	5/5/2017	A PWP Energy Trader submitted incorrect outage availability for GT-5 unit prior to the Day Ahead market. Because the submitted de-rate information was not reflective of the unit's true capability, the unit was dispatched to a quantity greater than attainable in the Day Ahead market.	\$50.07 (Favorable outcome)	Trading Group	GT-5 unit's registration has been changed to a multi-stage generator from a simple-cycle unit and there is no longer a need to manually enter the unit's availability. The Trader is aware to double check information prior to submittal.				X		
22	5/9/2017	The South Coast Air Quality Management District (SCAQMD) issued PWP a Notice of Violation for a late RATA test on B-3 generating unit. The RATA test was not conducted within six months of the end of the quarter of the prior test. SCAQMD also cited PWP for not sending an electronic transmission to the District Central Station by the applicable deadline.	SCAQMD Legal Team is expected to contact PWP in the near future. Potential fine ranges from \$500 to \$5,000.	Power Plant	Per the Power Plant management, the missed transmission was caused by a persistent communication problem with the automatic reporting function. The Power Plant management caught the error and corrected it and was not expecting the NOV.				X		X
23	5/11/2017	GT-3 and GT-4 units failed ancillary (non-spin) compliance tests.	No financial impact. The CAISO did not refer to the updated contact list provided by PWP and has rescinded the compliance tests due to this reason. The units are back in the queue for further testing.	Shared responsibilities with varying degrees between the CAISO, ACES and Power Dispatch.	PWP is working with the CAISO on process improvements. Also, ACES has revisited the topic of unannounced AS compliance tests with its trading desk staff.	X					X
24	6/16/2017	GT-1 and GT-4 units failed ancillary (non-spin) compliance tests.	No financial impact. The CAISO has rescinded the unannounced ancillary services ("AS") tests for GT-1 and GT-4 units due to use of incorrect contact number.	CAISO	CAISO is working to change their contact phone number change process and will inform PWP when the affected generating units are placed into the test queue.	X					
25	9/9/2017 & 9/10/2017	On 9/9 and 9/10 while doing the reforecasting for the Pasadena load the ACES trader did not take into account a behind-the-meter generator that was offline during this timeframe. As a result, the forecast was ~10MW less than it should have been.	(\$2,393.75)	ACES	ACES has retrained the responsible real-time trader on how this outage affects PWP's demand and reiterated that the trader review PWP's memo prior to making adjustments in the demand bids. This operational error was reported to ACES Risk Management Committee.			X		X	
26	10/25/2017	An Energy Trader inadvertently scheduled 10MW instead of 7 MW for HE24 for Palo Verde for the trade date of October 25, 2017	(\$66.00)	Trading Group	The responsible energy trader self reported the error and corrected and changed the schedule to 7MW in real-time. Steps have been taken to ensure that daily totals are consistent with the information received from Los Angeles Department of Water and Power for Palo Verde					X	
27	11/8/2017	GT-1 unit failed the CAISO ancillary (non-spin) compliance test. The air starter for the gas turbine did not reach the proper RPM before the timer lapsed out.	-\$239 (in reduced ancillary service revenues)	Power Plant	After the Power Plant determined that the failed test was due to a faulty relief valve on the starting air system they immediately replaced it with a used but good valve, and later ordered and installed a new replacement valve. The Power Supply Group also responded to the CAISO notice on the results of the performance audit/compliance test on GT-1, and informed the CAISO on the corrective actions that were taken to return the unit to service.						X

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28	12/6/2017	ACES trader did not terminate the OMS ticket covering the IPP derate until 06:14 on 12/6 making HE 9 the first hour that the market could dispatch the unit to the max output of 107 MW. As a result, the OMS ticket was submitted at 104 MW which created a 3 MW exposure. Fortunately, RTUC advisory schedules did not dispatch the unit above 92MW during HE 1-8.	No financial impact.	ACES	Trader oversight - all other steps to end a derate were taken appropriately. Trader was retrained on the importance of OMS tickets and the attention to detail that ACES needs to have in dealing with changes.				X	
29	12/12/2017	There were issues with the 2018 Annual ABSR Supply Plan that was submitted to the CAISO. This matter was discovered prior to the November 1, 2017 deadline for submittal to the CAISO and was reported to the Energy and Credit Risk Manager on 12/12/2017.	No financial impact.	Power Resource Planning Group	The issue was due to CAISO software limitations. The Power Resources Planning Group has filed a rebuttal via the CIDI and is awaiting a response from the CAISO.					
30	12/13/2017	An energy trader forgot to submit the OFO scheduled quantity adjustment agreement to the SoCal Gas Company by the end of the day on December 14, 2017. This issue may result in a Low OFO charge of about \$1,700 from the SoCal Gas Company. Any related charges would be recovered from the CAISO because the potential charges were included in PWP's economic dispatch bid.	No financial impact.	Trading Group	The responsible energy trader found that the OFO schedule had not been submitted on time to the SoCal Gas Company and self reported the error. The Trading Group has modified its check list to prevent this type of error in the future.			X	X	
31	12/14/2017	ACES trader adjusted the OMS ticket for the Magnolia Power Plant (MPP) to end at 13:00 on 12/14/17 according to the Compass Outage Memo #33578. However, the GenScheduler and Burbank (MPP Operator) each indicated that the unit would return for HE 13. This created a risk exposure of 4 MW for HE 13 as the unit cleared in DA for 10 MW; however, the unit was delayed once again until 12/15/17.	No financial impact.	ACES	Trader did not verify the information on the outage memo with GenScheduler or Burbank. ACES has discussed the importance of verifying the data with the trader and as well as the importance of OMS tickets.				X	
32	12/20/2017	PWP received a notice from the CAISO that its 2018 Resource Adequacy Plan was deficient. The Power Resources Planning Group has contacted the CAISO regarding the issue	No financial impact.	Power Resource Planning Group	This was a human error. New procedures have been put in place to prevent this type of error from occurring again. Also, the procedures manual will be updated accordingly.			X	X	