Energy Uplift Allocation Proposal

Energy Market Uplift
Senior Task Force
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Objectives

- Maintain/improve current incentives.
- Allocate charges to transactions that have impact on commitment and dispatch.
- Preserve current timing and regional signals.
- Simplify reliability vs. deviation logic.
Legend

Terms:
- **Make Whole**: Payments to resources asked to run/keep running and offer > revenues.
- **LOC**: Payments to units asked to reduce, or scheduled DA not committed in RT and offer < LMP.
- **Energy uplift = Make Whole + LOC**
Make Whole to Units Scheduled DA

Offer Basis
- DA MW
- Delta MW (DA vs RT)

Allocation Logic
- LMP < Offer for more than 4 intervals for all hours
- LMP >= Offer for at least 4 intervals for at least one hour

Allocation
- DA Load
- DA Exports
- DEC
- RT Load
- RT Exports
- Deviations
- DA Load Interchange *
- Virtuals *

* The withdrawal and injection sides of wheels and up-to congestion transactions are accounted for separately.

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Balancing

Instruction Timing
- Committed before operating day
- Committed during operating day

Allocation Logic
- For reliability
- For load forecast and reserves
- LMP < Offer for more than 4 intervals for all hours
- LMP >= Offer for at least 4 intervals for at least one hour

Allocation
- RT Load
- RT Exports
- Deviations

Make Whole to Units Committed RT not Scheduled DA
Make Whole to Units Committed RT not Scheduled DA

Instruction Timing

- Committed before operating day
  - For reliability
  - Economic dispatch

- Committed during operating day
  - For reliability
  - Economic dispatch

Allocation Logic

- Deviations
- Physical Deviations

Allocation

- RT Load
- RT Exports
- RT Wheels *

* Wheels transactions are accounted only for their withdrawal side.
LOC and Canceled Resources

Reason

- Scheduled DA not committed RT
- Reduced for reliability in RT
- Canceled

Allocation

- Deviations
- Deviations
- Deviations
- Deviations
- Physical Deviations
- Physical Deviations
## Deviations Status Quo

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<tr>
<th>Deviations</th>
<th>Day-Ahead</th>
<th>Real-Time</th>
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Generators/DR not following dispatch
# Deviation Proposal

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Generators/DR not following dispatch
Reactives

Reason

< 500 kV

>= 500 kV

Allocation

RT Load

RT Load

RT Load

RT Exports

RT Wheels *

* Wheels transactions are accounted only for their withdrawal side.
Emergency DR / Purchases

**Resource**
- Emergency DR
- Emergency Purchases

**Allocation**
- Net purchaser
- All Resources/Transactions
- Physical Deviations
Conclusion

- Improve allocation based on commitment timing.
- No day-ahead operating reserve credits/charges.
- No day-ahead demand transactions bucket.
- No offer vs. LMP / deviation vs. reliability logic.
- Expansion of the current deviation bucket.
- New physical deviation bucket.
- Maintain regional separation only when unit commitment/dispatch can be mapped to a transmission line(s), otherwise, RTO wide allocation is preferred.