5-Minute Settlements

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Overview

• FERC Order 825 – Sub-Hourly Settlements
  – Align settlement and dispatch intervals by:
    • Settling energy transactions in its real-time markets at the same time interval it dispatches energy
    • Settling operating reserves transactions in its real-time markets at the same time interval it prices operating reserves
    • Settling intertie transactions in the same time interval it schedules intertie transactions
  – Final Rule issued June 16, 2016
  – Compliance Filing submitted January 11, 2017
• Align prices with resource dispatch instructions and operating needs, providing appropriate incentives for resource performance
• Business rules will be discussed at MIC and Market Settlement Subcommittee
• Market Settlement Calculation System (MSCS)
• Market Settlement Reporting System (MSRS)
  – New 5 Minute reports
  – Minimize changes to current hourly reports
• Power Meter
  – Accept 5 minute meter data (though not required)