



Balancing Operating Reserve Cost Allocation (BORCA)

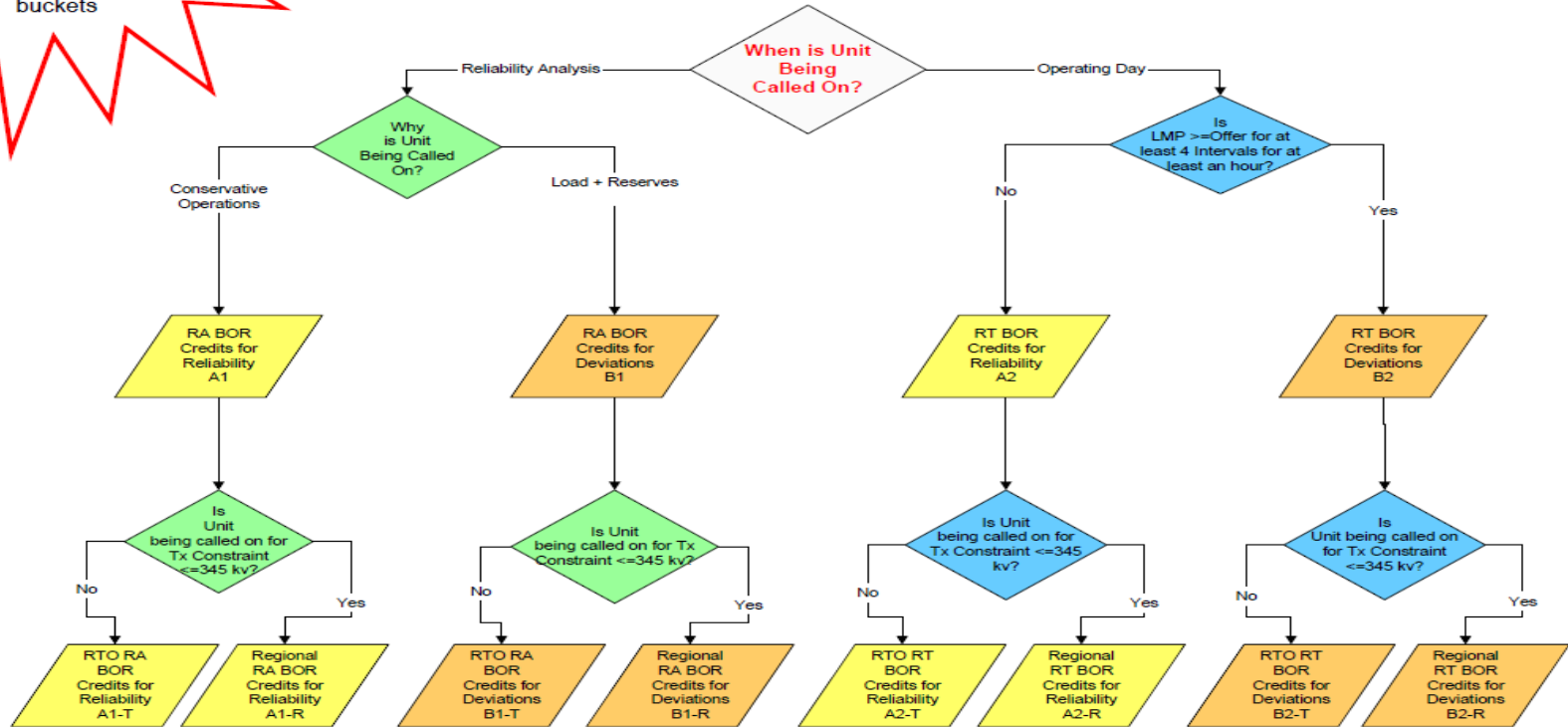
- **Only for RT BOR, not DA OR**
 - DA OR is paid by load + decs + exports
 - Carve outs for reactive and blackstart
- Various rates based on region and payee
 - Numerator
 - Cost of uplift for that entity or region
 - Denominator
 - Load plus exports or deviations in that area
- Allocate uplift payments to the causal entity or direct beneficiary

- Costs are separated into different buckets based on
 - Time of unit commitment
 - For reliability or economics
 - For transmission or not
 - Voltage level
 - Whether or not the unit was economic during the run period
- General idea is to allocate uplift costs to load for “Conservative Operations” and to deviations for differences between DA and RT markets

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This BORCA process separates the TOTAL COST (credits) of BORs into eight (8) buckets

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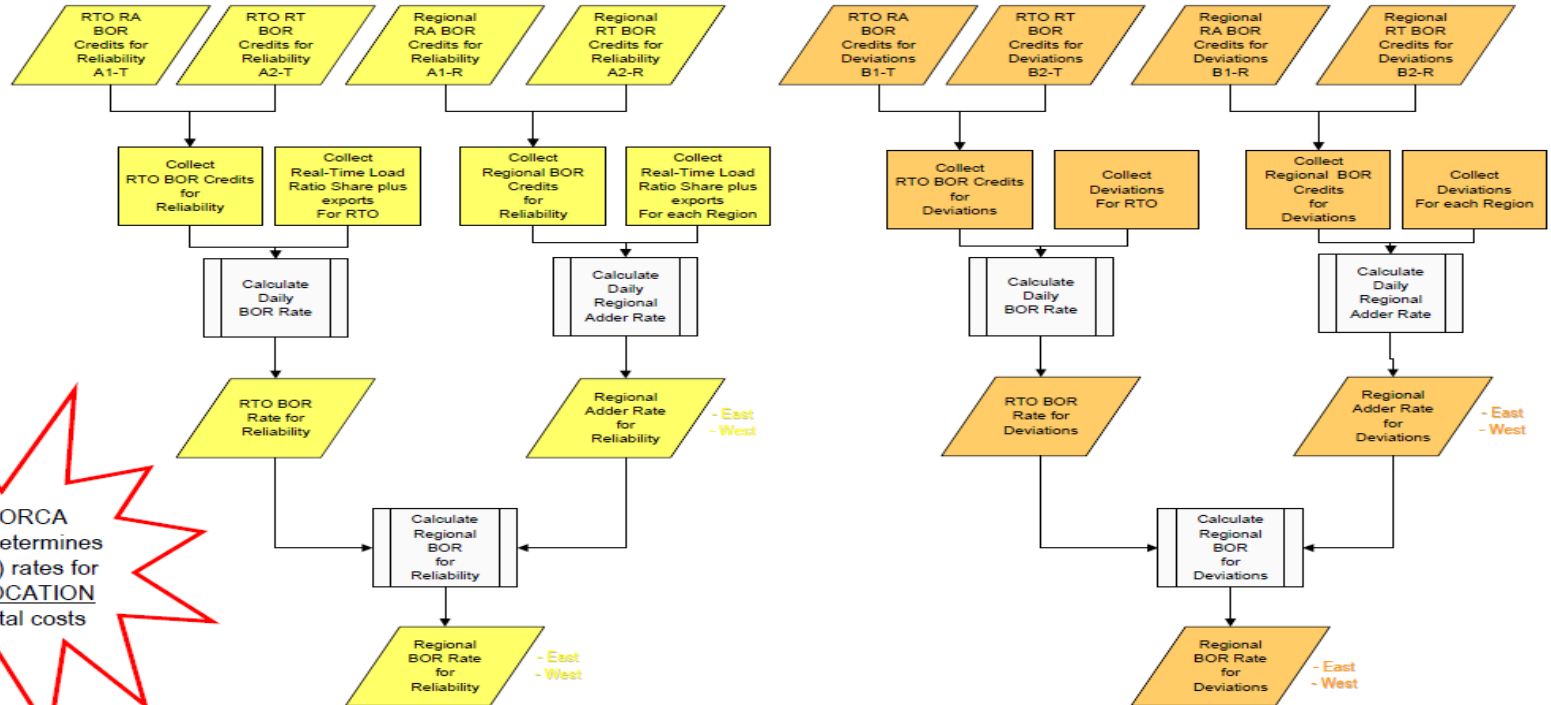


- Generator committed in the reliability analysis for APSOUTH 500 kV
 - Allocated to RTO deviations
- CT committed in RT for ATH-SAD 230 KV and economic for 3 of 12 intervals
 - Allocated to East load plus exports
 - Allocated to East deviations **IF** economic for ≥ 4 intervals
- Unit committed in reliability analysis to meet projected RTO load
 - Allocated to RTO deviations
- Unit committed due to anticipated unit trips the following day (“Conservative Operation”)
 - Allocated to RTO load plus exports

- Units called on for thermals
 - Cost allocation dependant on BORCA criteria
- Units called on for voltage
 - Charged to the zone(s) with the voltage violation
- Units dispatched for stability
 - Units are reduced for stability which creates an LOC payment as opposed to an uplift.
 - Cost allocation to RTO deviations

Balancing Operating Reserve Cost Allocation - Regional

Regional Balancing Operating Reserve Cost Allocation



This BORCA process determines the six (6) rates for the ALLOCATION of the total costs

