Synchronized Reserve Margin

EPFSTF
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$7.50/MWh Margin

- Included with introduction of the synchronized reserve market in 2002
- Calculated by MMU
- Based on the implicit margins in actual offers made by participants for Tier 2 Spinning Reserve
- Offers included market power; only two suppliers
- Revenues net of energy and O&M costs
- May cover costs not directly captured in the cost-based offer
- See FERC Docket ER02-2519
## Tier 2 Synchronized Reserve Offer Prices

### Marginal Unit Offers - Jan-Mar 2017

<table>
<thead>
<tr>
<th>Marginal Unit Type</th>
<th>All</th>
<th>10%</th>
<th>25%</th>
<th>50%</th>
<th>75%</th>
<th>90%</th>
</tr>
</thead>
<tbody>
<tr>
<td>DR (3149 MU)</td>
<td>$0.77</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$2.00</td>
<td>$3.00</td>
</tr>
<tr>
<td>Generator (2277 MU)</td>
<td>$5.33</td>
<td>$0.25</td>
<td>$3.50</td>
<td>$7.50</td>
<td>$7.50</td>
<td>$7.50</td>
</tr>
<tr>
<td>All (5426 MU)</td>
<td>$2.68</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$2.00</td>
<td>$6.50</td>
<td>$7.50</td>
</tr>
</tbody>
</table>