

Convergence bidding

Settlement implications

Convergence bidding fees



Module objective

By the end of this section, you will be able to:

- Identify charge codes associated with convergence bidding
- List the additional fees associated with participation in convergence bidding

Grid management charges and administrative fees

Charge	Charge code	Rate	Units
Market services	4560	\$0.0876	MWh
System operations	4561	\$0.2978	MWh
CRR services	4562	\$0.0059	MWh
Bid segment fee	4515	\$0.005	Per bid segment
Inter-SC trade fee	4512	\$1.00	Per Inter-SC trade
CRR auction bid fee	4516	\$1.00	# of nominations and bids
TOR charges fee	4563	\$0.24	Minimum of supply or demand TOR MWh
Monthly SCID fee	4575	\$1000	Per month
EIM Transaction Charge	4564	\$0.19	MWh
Other Miscellaneous fees			
EIR Forecast Fee	701	\$0.10	MWh

Convergence bidding fees

- Participants may use up to 10 bid segments for a virtual bid.
 - A charge of \$0.005 per virtual bid segment will be reflected in CC4515
- A charge of \$0.0876 per MWh for market services will apply
- A monthly SCID charge of \$1000 will apply during active settlement months

Note: These charges are for example purposes only. For the latest GMC rates please refer to the Budget and [grid management charge](#) page located on the CAISO website.

Grid management charge (GMC) – examples by activity – Convergence bidding

Scenario:

A convergence bidder submits a 10-bid segment virtual demand bid in the day-ahead market for 100 MWh. They were awarded 100 MWh when the market cleared.

GMC Bucket	*MWh/qty	GMC rate	Total
Monthly transaction fee	One time fee per month	\$1000.00	\$1000.00
Market services	100	\$0.0876	\$8.76
Bid segment fee	10	\$0.0050	\$ 0.05
Total for 1 interval			\$1008.81