

# Market Performance Update

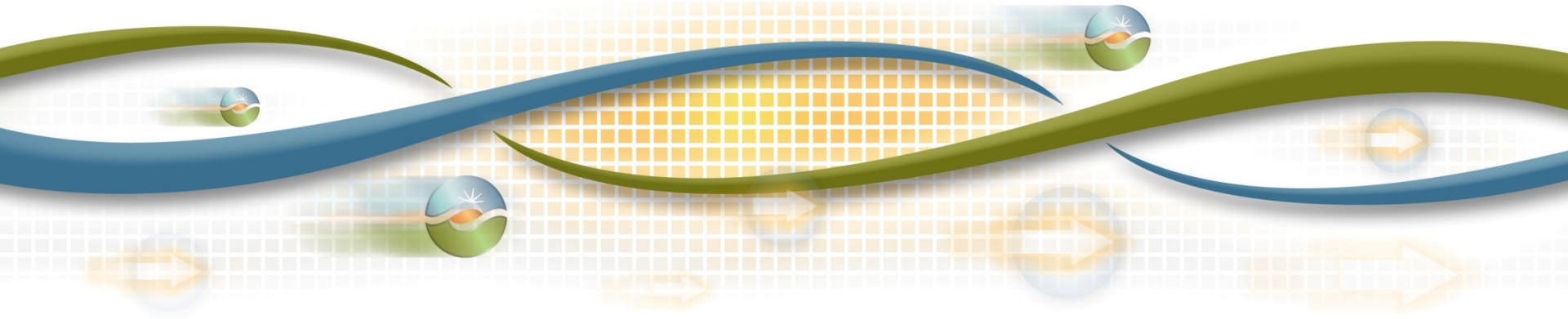
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General Session

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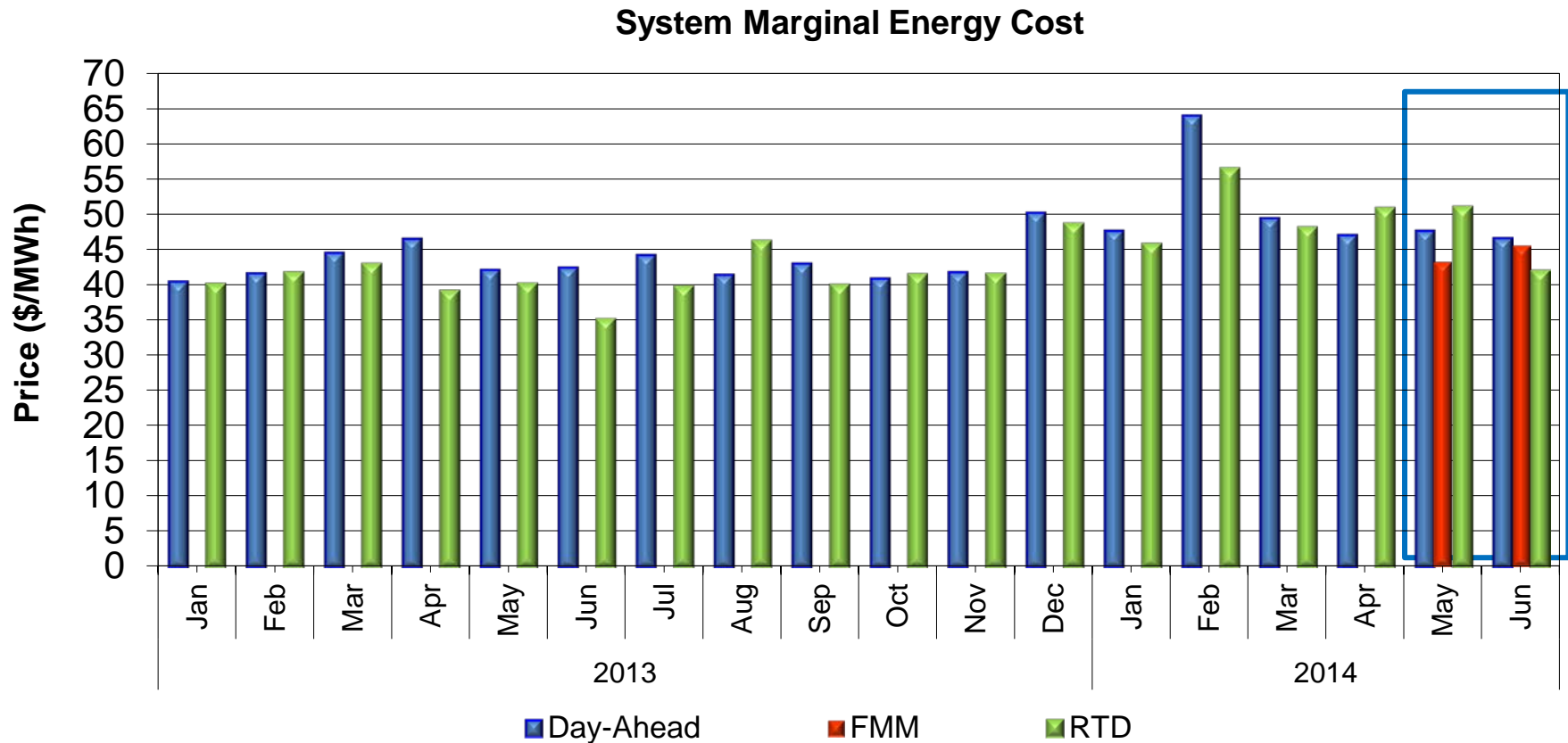


# Market highlights:

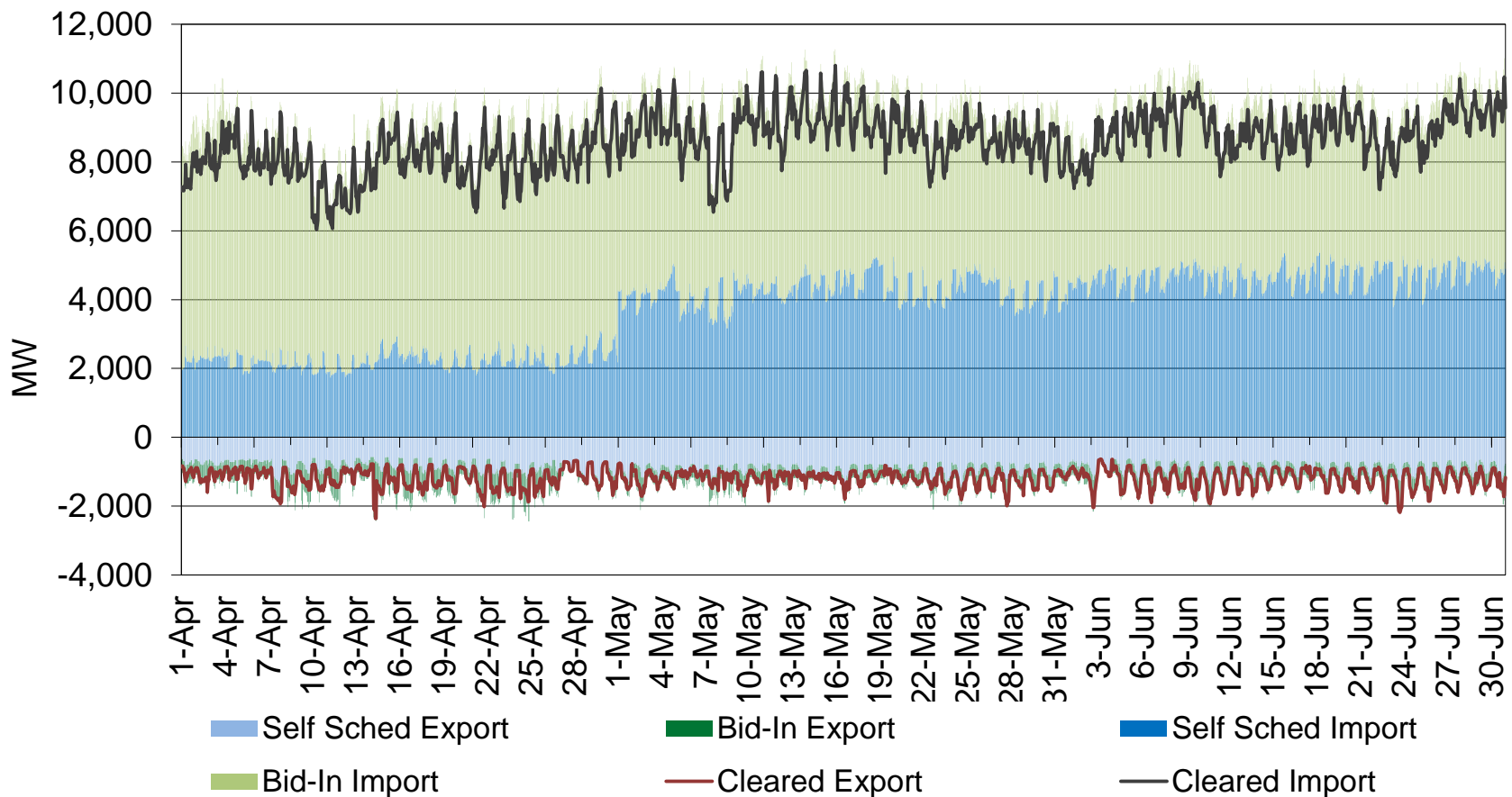
Successful transformation of the real-time market on May 1 with the FERC Order 764 implementation.

- Mixed convergence between day-ahead and real-time prices since implementation of new 15-minute market
- Total bid cost recovery uplift cost remains steady since rule change on May 1 when we separated the netting of cost and revenue into day-ahead and real-time markets.
- Congestion revenue rights revenue adequacy improved.
- Price corrections reduced since April.
- Real-time offset costs dropped in May but increased June.

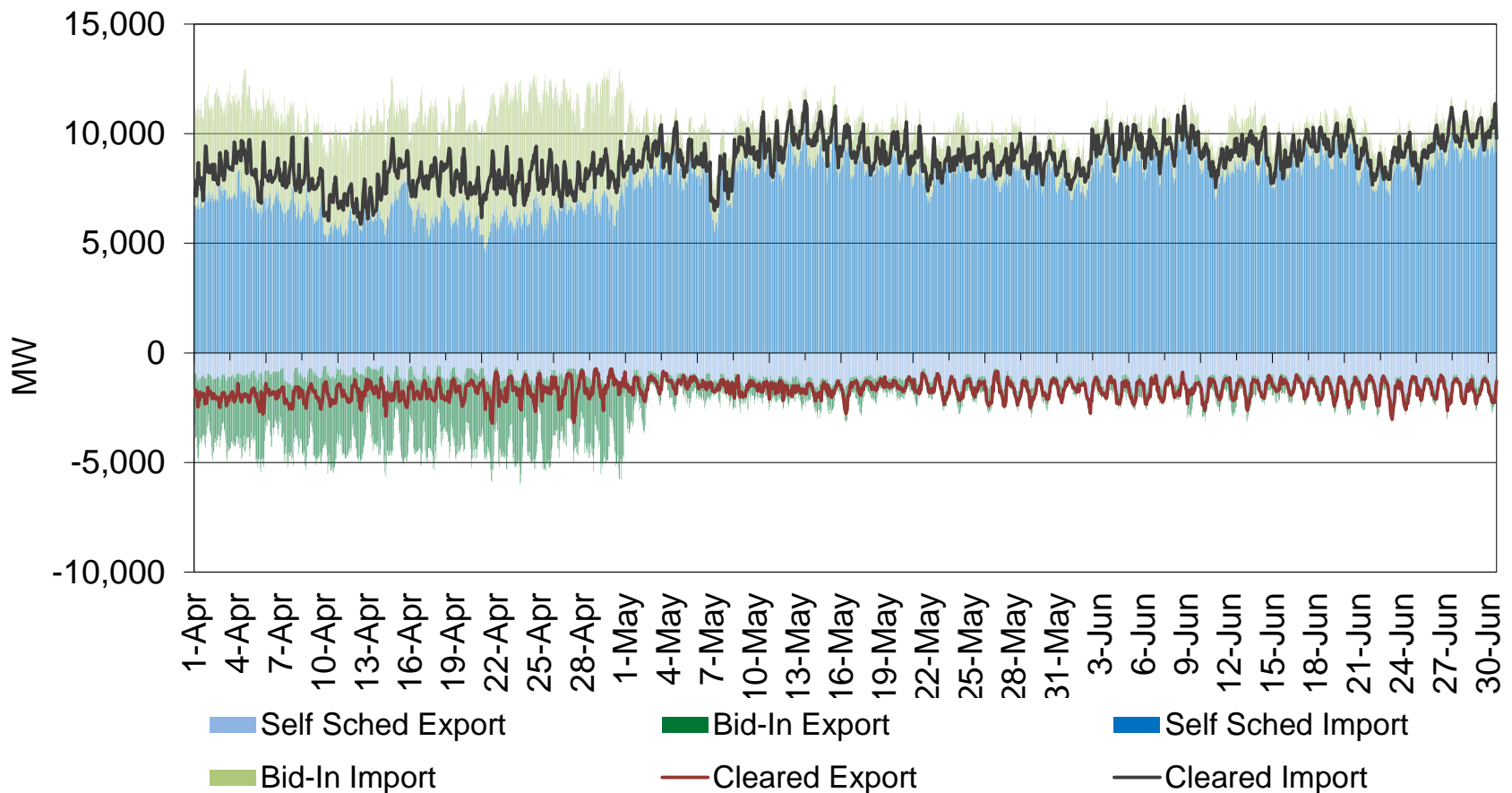
# Mixed real-time and day-ahead price convergence since May 1 implementation of new 15-minute market.



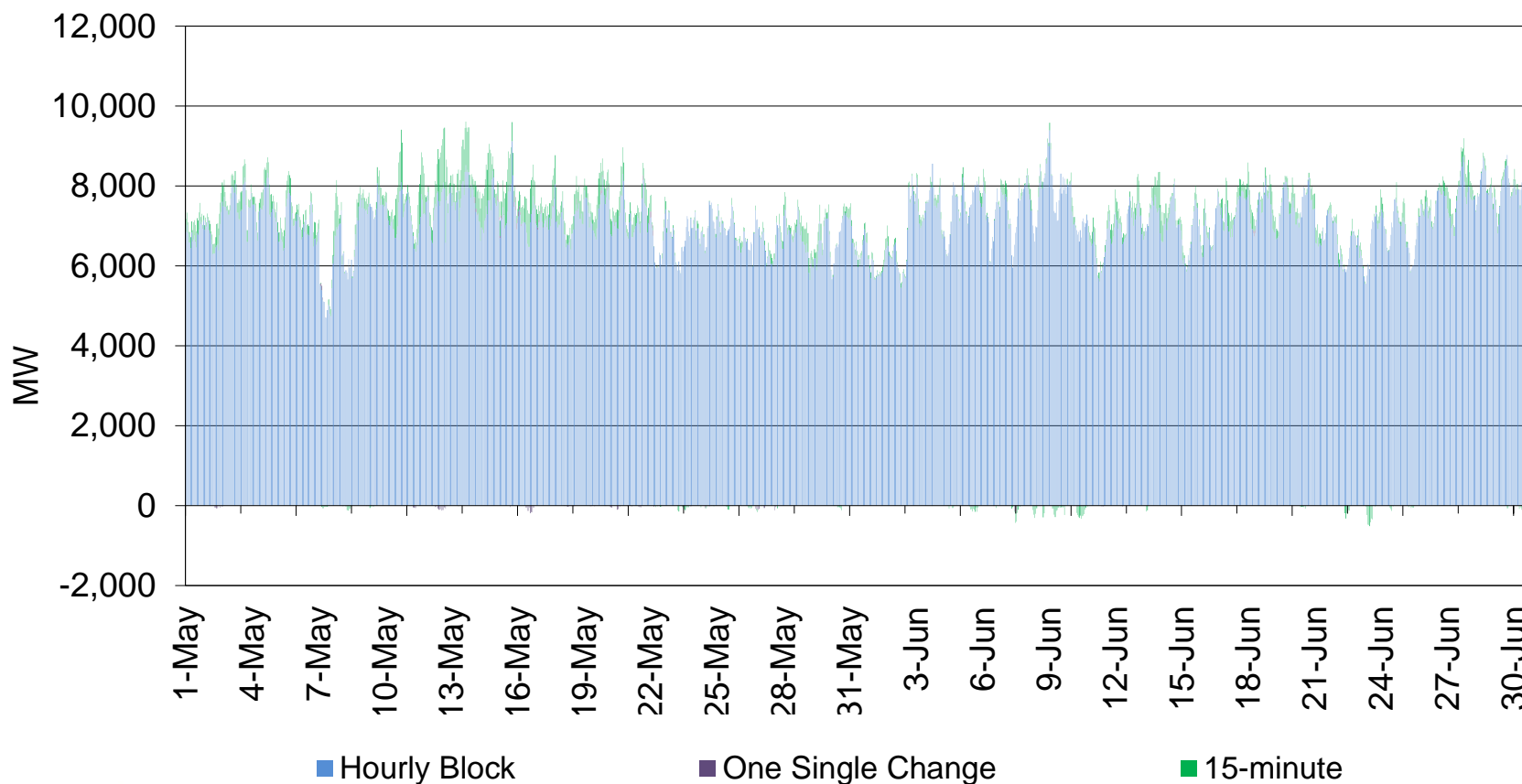
Since May, self schedules of imports in the day-ahead market increased generally following implementation of FERC Order 764.



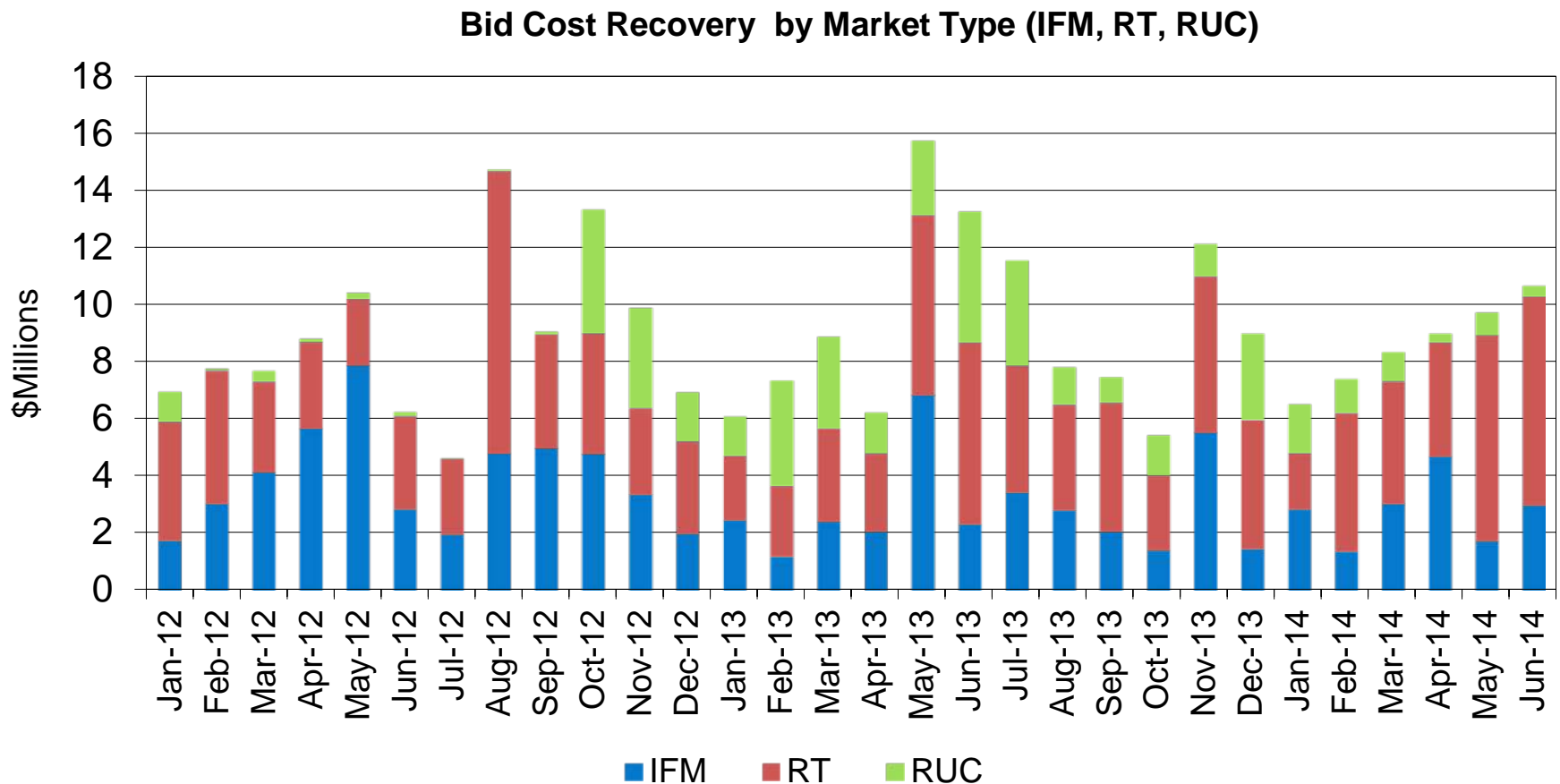
Since May, self schedules in the real-time market increased while economic bids declined following implementation of FERC Order 764.



Volume of bids using 15-minute bidding was limited due in part to 15-minute scheduling not supported by some other external BAA until this fall.

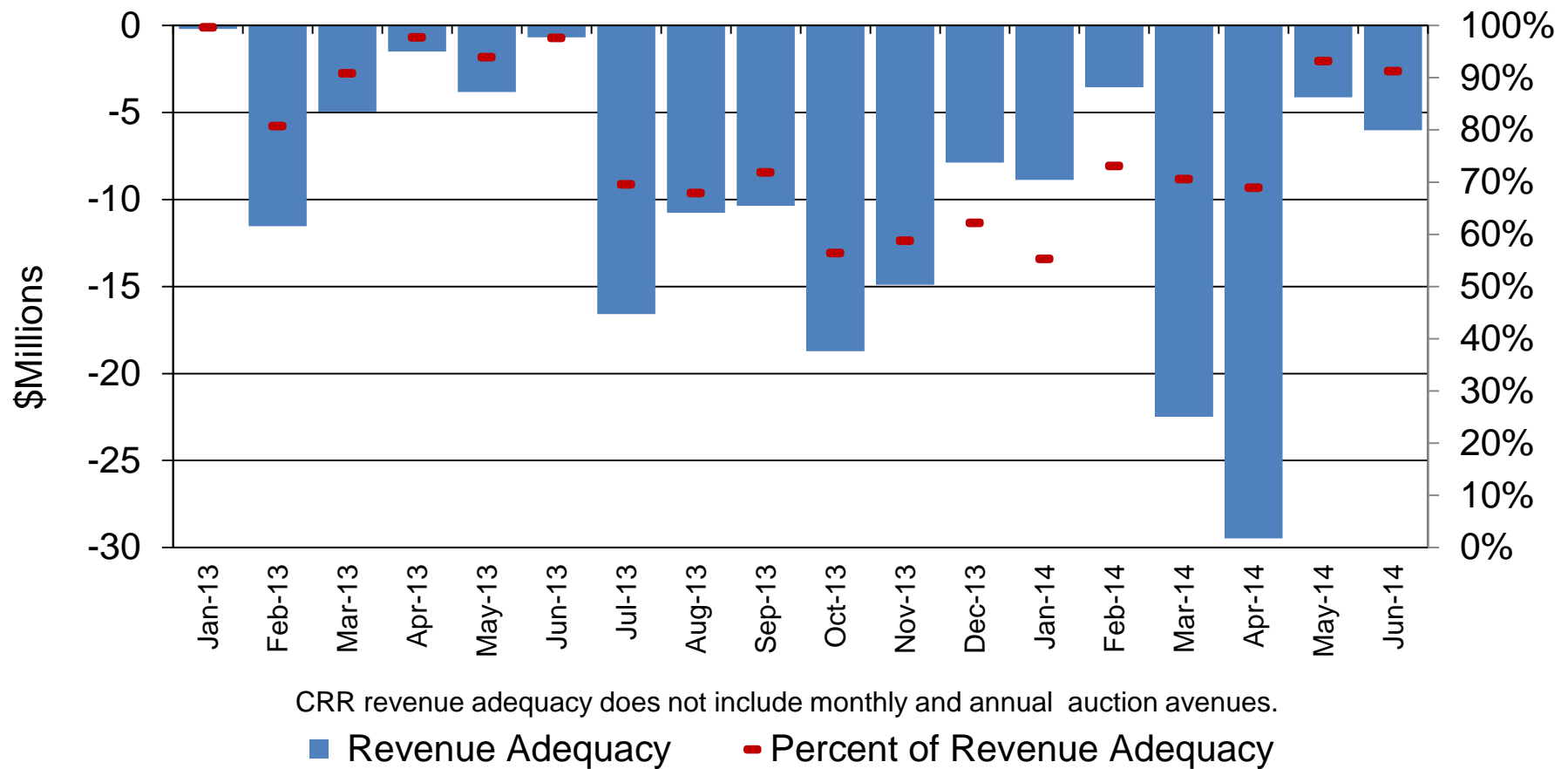


The total bid cost recovery uplift cost remained relatively steady since the bid cost recovery rule change on May 1.



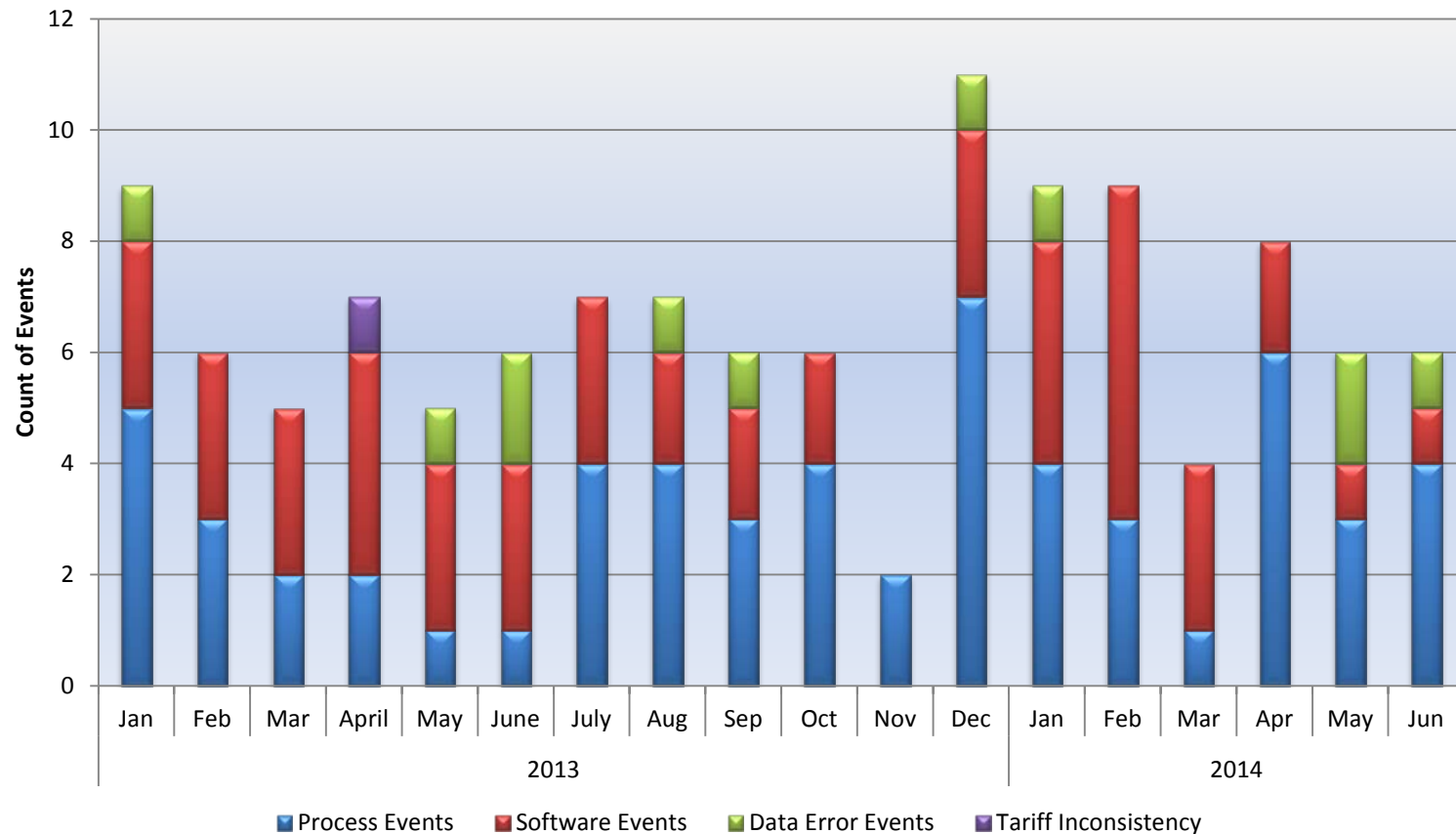


# Congestion revenue rights revenue adequacy improved in May to 94% from 70% levels.



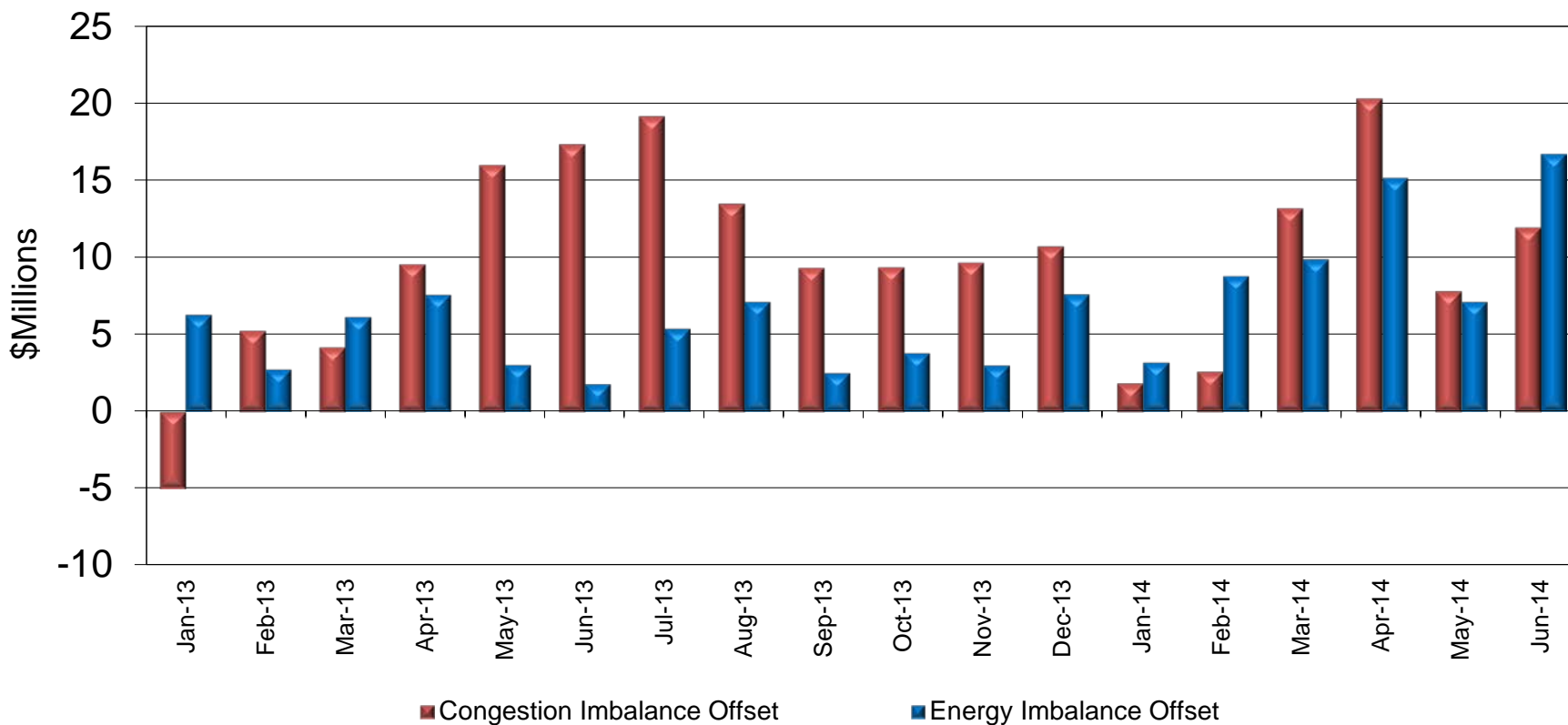


Price corrections have decreased since April due to continued efforts to address root causes.



Lower real-time congestion and energy offset uplift costs in May but higher in June pending final settlement determination.

Real-time Congestion and Energy Imbalance Offset Cost



Note: June 2014 results are partially based on preliminary settlements and are subject to change.

Exceptional dispatch volume increased in May and June from previous months, but remained at relatively low levels.

