



Settlements Comparison Matrix Handout

Handout for Settlements and Billing 101

Settlement Comparison Current vs. New (MRTU)



Settlement Components

- Day-Ahead Energy, Congestion and Loss
- Hour-Ahead Scheduling Process (HASP)
- Residual Unit Commitment (RUC)
- Ancillary Services
- Real-Time Imbalance Energy
- Congestion Revenue Rights
- Inter-SC Trades
- Bid Cost Recovery
 - Start Up Cost
 - Minimum Load Cost
 - A/S and Energy Bids
- Emissions Recovery
- Transmission Access Charge
- RMR Invoicing and Settlement
- Neutrality
- Participating Intermittent Resource Program Charges
- Grid Management Charges
- FERC Fees
- Financial Charges

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Day Ahead Energy, Congestion, Loss Settlement (1 of 3)	
Distinct settlement for components as described below	Day Ahead Energy, Congestion, and Loss settled in one charge code because the LMP includes the cost of Energy, Congestion, and Loss at the associated price location.
No Day Ahead Market Settlement for Energy	<p>Day Ahead Energy Settlement consisting of:</p> <ul style="list-style-type: none"> IFM Payments for Supply of Energy priced at the LMP IFM Charges for Demand priced at LAPs IFM Charges for Demand by Participating Loads priced at the LMP IFM Charges for Energy Exports at Scheduling Points at the LMP IFM charges for ETC Load and station power load will also be settled at nodal LMP IFM payment for Energy Import at Scheduling Points is settled at Scheduling Point LMP <p>Day Ahead Energy Settlement for MSS varies:</p> <ul style="list-style-type: none"> If Gross, settlement at Default LAP If Net, settlement at MSS LAP

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Day Ahead Energy, Congestion, Loss Settlement (2 of 3)	
<p>No Day Ahead Market Settlement for Energy</p>	<p>Day Ahead Energy Settlement for MSS varies: For MSSs that have elected Gross Settlement: IFM Charges for MSS Demand - Settled at the Default LAP Price; the Default LAP Price will be the LAP price for the IOU in which the MSS LAP is located. IFM Payments for MSS Supply - Settled at the LMP at the corresponding PNode.</p> <p>For MSSs that have elected Net Settlement: IFM Charges for MSS Demand - Settled at the MSS LAP Price IFM Payments for MSS Supply - Weighted average of all IFM LMPs for all applicable PNodes within the relevant MSS (weights used for the weighted average are the MSS generation scheduled in the Day-Ahead Schedule.</p>

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Day Ahead Energy, Congestion, Loss Settlement (3 of 3)	
<p>Day Ahead inter-zonal Congestion Management mitigates transmission congestion and establishes a usage charge or “toll”</p> <p>One iteration (Revised Preferred Market) in the Day Ahead resulting in the least cost transmission usage by SC</p> <p>SCs that cause congestion will be charged and SCs that relieve congestion will be paid</p> <p>PTOs and FTR holders will receive revenues or make payments</p>	<p>Simultaneous optimization allows for Congestion considerations within the IFM runs</p> <p>This charge code calculates the IFM Congestion Charge that uses the MCC (Marginal Congestion Component of the LMP). The IFM Congestion charge includes credits associated with ETCs, TORs, and Converted Rights Credits.</p> <p>CRR holders may receive revenue or make payments through new charge codes for CRR settlements described below.</p>
<p>No Day Ahead consideration for losses; GMMs and TMMs are set to 1</p>	<p>Losses are attributed to the difference between the Net Hourly Energy Charge and the total IFM Congestion Charges (accounting for credits mentioned above).</p> <p>This difference is an over collection of losses and must be allocated is a separate charge code for IFM Marginal Losses Surplus Credit based on Measured Demand.</p>

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
HASP Energy, Congestion, Loss Settlement	
Distinct settlement for components as described below	HASP Energy, Congestion, and Loss settled in one charge code because the LMP includes the cost of Energy, Congestion, and Loss at the associated price location. This is for interties only.
No Hour Ahead Market for Energy	Hour Ahead Scheduling Process Settlement for: Incremental or Decremental Export quantities at an intertie priced at the HASP Pre-Dispatch LMP Incremental or Decremental Import quantities at an intertie priced at the HASP intertie LMP Allocated to Imbalance Energy Offset
Congestion Management process for Hour Ahead same as Day Ahead, however no Revised Preferred Market: <ul style="list-style-type: none"> - SCs that cause congestion will be charged and SCs that relieve congestion will be paid - PTOs and FTR holders will receive revenues or payments as applicable. 	HASP and RT Congestion Credit will be applied to SCs with valid and balanced self-schedules for ETCs and TORs
No Hour Ahead consideration for losses; GMMs and TMMs are set to 1	Loss component included in LMP

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Residual Unit Commitment Settlement	
No RUC process	Day Ahead Residual Unit Commitment Settlement consisting of: <ul style="list-style-type: none"> RUC Availability Payment for awarded capacity at the RUC Price Associated tiered Allocation Tier 1 Allocation to Net Negative Demand Deviation Tier 2 Allocation to Measured Demand Rescission of RUC Payments if unavailable



Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Ancillary Services Settlement (1 of 2)	
<p>Day Ahead Capacity and Obligation Settlement for:</p> <ul style="list-style-type: none"> Regulation Up Regulation Down Replacement Reserve Spinning Reserve Non-Spinning Reserve All at a service specific zonal price 	<p>Day Ahead Capacity and Obligation Settlements for:</p> <ul style="list-style-type: none"> Regulation Up Regulation Down Spinning Reserve Non Spinning Reserve All at a location-specific ASMP
<p>Hour Ahead Market for all Ancillary Service types for incremental schedule changes</p>	<p>HASP for Spinning and Non Spinning Reserve for incremental pre-dispatched inerties only</p>
<p>No RT Capacity payments</p>	<p>Real Time Capacity Payments for each Ancillary Service type are settled hourly based on a 15-minute ASMP as associated awarded capacity.</p>
<p>Congestion not considered on Ancillary Service Imports</p>	<p>Day Ahead Congestion Charge on AS imports is applied at a shadow price of intertie transmission constraint and used as revenue to pay CRR Holders.</p> <p>HASP Congestion charge on Spinning and Non-Spinning imports is applied at a shadow price of intertie transmission constraint and allocated to Real-Time Congestion Offset</p> <p>Real-Time Congestion Charge on AS imports is applied at a shadow price of intertie transmission constraint and allocated to Real-Time Congestion Offset</p>



Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Ancillary Services Settlement (2 of 2)	
<p>No Pay Settlement calculations:</p> <ul style="list-style-type: none"> A rescission of Capacity payments for each unavailable Ancillary Service Allocation of payments spread to Market Participants based on Metered Demand 	<p>No Pay Settlement Calculations:</p> <ul style="list-style-type: none"> Same principles in MRTU for payment recession Allocation incorporated into Neutrality Allocations per Service Type
<p>Neutrality achieved across all Ancillary Service types through adjustment of settlement payments through Rational Buyer.</p>	<p>If there is a difference between the Net Requirement for a given AS type and the associated AS Charge, then Neutrality is achieved for each service type in proportion to each SC's Ancillary Service Obligation quantity.</p> <p>If there is a difference Upward AS cost between total Net Requirement for all Ancillary Services type then Neutrality is achieved by allocated to all SCs in proportion to their Upward Ancillary Service Obligation.</p> <p>Neutrality Allocations include payments made in Real Time as well as any payments rescinded through No Pay</p>
<p>Voltage Support and Black Start:</p> <ul style="list-style-type: none"> Voltage Support opportunity cost calculated as the max of 0 or the Zonal Settlement Interval Ex Post Price less the Bid price Black Start contracted with RMR owners and paid rates capped at the FERC authorized cost base rates 	<p>Short Term Voltage Support and Black Start:</p> <ul style="list-style-type: none"> Same settlement principles for both Voltage Support and Black Start, however Voltage Support opportunity cost calculated as the max of 0 or the LMP less the Bid price

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Real Time Imbalance Energy Settlement (1 of 6)	
<p>Instructed Energy Settlement consist of:</p> <ul style="list-style-type: none"> Economic Imbalance Energy: Energy dispatched from Supplemental bids and/or Energy dispatched from AS capacity <ul style="list-style-type: none"> Incremental and Decremental Residual Imbalance Energy Minimum Load as Instructed Energy Out-of-Sequence/Out-of-Market Dispatches Standard Ramping Energy Ramping Energy Deviations Rerate Energy Regulation Energy All Instructed Energy paid at the resource-specific price except Regulation (at Zonal Ex Post Price) and Standard Ramping (zero price) All dispatch instructions are deemed delivered Instructed Energy calculated based on 5-min dispatch interval and settled at 10-minute Settlement Interval Extra Marginal Energy guaranteed Bid Cost Recovery for Residual Energy and Economic Imbalance Energy OOS and OOM guaranteed excess cost payment if unit operates within relevant tolerance band 	<p>Instructed Energy Settlement consists of:</p> <ul style="list-style-type: none"> Energy dispatched through RT Market optimization Energy dispatched from HASP intertie Schedules Residual Imbalance Energy Minimum Load Energy from RT dispatches of Energy Energy from Exceptional Dispatches Energy from Regulation Standard Ramping Energy Ramping Energy Deviations Rerate Energy Real-Time Self-Scheduled Energy MSS Load Following Energy All Instructed Energy are paid at the Resource-Specific Settlement Interval LMP with exception of HASP Intertie (at HASP LMP), Residual Imbalance Energy (at relevant dispatch Bid), Standard Ramping Energy (at zero price), MSS Load Following Energy (at zero price) and Exceptional Dispatches (settled at either Relevant Resource-Specific settlement interval LMP, Energy Bid Price, Default Bid Price if applicable or negotiated bid applicable to System Resources only). All dispatch instructions are deemed delivered.

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Real Time Imbalance Energy Settlement (2 of 6)	
<p>Uninstructed Energy paid or charged at the resource level:</p> <p>Tier 1: UIE attributed to non compliance with Dispatch Instruction settled at the resource-specific price</p> <p>Tier 2: Any remaining UIE settled at the zonal ex post price</p>	<p>Uninstructed Energy paid or charged for each LAP, Pnode, or Scheduling Point where calculated.</p> <p>Tier 1: Deviation from Instructed Imbalance Energy priced at the Resource Specific Tier 1 UIE Settlement Interval Price</p> <p>Tier 2:</p> <ul style="list-style-type: none"> - For Generating Units, System Units, Physical Scheduling Plants, System Resources and the Demand Response portion of a Participating Load - Deviation from Day Ahead Schedule priced at the simple average of Dispatch Interval LMPs - For Demand, the Base Load of a participating Load, and net MSS Demand – Sum of the product of the hourly Tier 2 quantity and the RT LAP Price and the UIE Adjustment Amount
<p>Unaccounted for Energy settled at the Zonal Settlement Interval Ex Post Price for each utility Service Area.</p>	<p>Unaccounted for Energy settled at the Settlement Interval LMP for each utility Service Area</p>
<p>Unscheduled RMR Energy Settlement settles Energy generated in excess of scheduled energy, up to the RMR dispatched amount</p>	<p>Charge Code is retired in MRTU. There will be no penalty for failing to schedule RMR Dispatches. IFM will schedule the RMR Dispatches; therefore, penalty is not possible to be incurred.</p>
<p>Transmission Loss Obligation Settlement: Component of Imbalance Energy settled at the Resource-Specific Price or Average Ex Post Price</p>	<p>Charge Code is retired in MRTU because the LMP includes a loss component.</p>

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Real Time Imbalance Energy Settlement (3 of 6)	
<p>Imbalance Energy Offset is the Neutrality adjustment paid or charged to Metered Demand to extent the sum of:</p> <ul style="list-style-type: none"> Instructed Energy Uninstructed Energy Unaccounted for Energy Unscheduled RMR Energy Settlement, and Transmission Loss Obligation Settlement <p>does not equal zero</p>	<p>Two Offset Charges, Imbalance Energy and Real-Time Congestion which ensure revenue neutrality amongst these charge components</p> <ul style="list-style-type: none"> Instructed Energy Uninstructed Energy Unaccounted for Energy HASP Energy, Congestion, Loss Pre-dispatched Settlement HASP Congestion Charges for A/S HASP Congestion Charges for A/S Real-Time Congestion Charges for A/S Real-Time Congestion Charges for A/S
<p>Real Time Intra-Zonal Congestion Settlement Charges and Payments are payments for OOS or OOM if resource bid is higher than MCP by more than \$50 and/or 200% of MCP mitigated to the higher of the MCP or the Reference Price. If the bid price is less than the Reference Price, then payment is made at the bid price.</p> <ul style="list-style-type: none"> Allocations for OOS are charged to Metered Demand in the Zone Allocations for OOM are charged to the appropriate PTO 	<p>Charge Codes associated with this settlement principle will retire in MRTU because market design is moving from a zonal to a nodal network model and the Real Time LMP includes the cost of congestion.</p>

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Real Time Imbalance Energy Settlement (4 of 6)	
<p>Excess Cost for Instructed Energy Payment and Allocations:</p> <ul style="list-style-type: none"> - Payment based on difference between resource-specific price and bid price - Subject to operating within tolerance band - Two tiered Allocation: <ul style="list-style-type: none"> Pro-rata Allocation to Net Negative Deviators Excess Cost Neutrality Allocation to Metered Demand 	<p>Excess Cost Payment and Allocations:</p> <ul style="list-style-type: none"> - For incremental Exceptional Dispatches, calculated as the cost difference between the what was settled as Instructed Energy and one of the following three costs: <ul style="list-style-type: none"> The Resources Energy Bid Cost The Default Energy Bid cost The Energy cost at the negotiated price - The allocation of these Excess costs is either: <ul style="list-style-type: none"> Charged to PTO(s) based on their Transmission Revenue Requirement if the exception dispatch was a result of a transmission-related modeling limitation Charged to Scheduling Coordinators in two tiers if the exceptional dispatch was a result of market conditions: <ul style="list-style-type: none"> - Tier 1: The lesser of the SCs ratio of Net Negative Uninstructed Deviation to the total system Net Negative Deviation or product of the SCs Net Negative Uninstructed Deviation and a weighted average price - Tier 2: Any remaining unallocated costs are spread pro-rata to all SCs based on Measured Demand.

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Real Time Imbalance Energy Settlement (5 of 6)	
<p>Uninstructed Deviation Penalties calculated (but not Settled, pending FERC order):</p> <p>Positive deviations in excess of Tolerance Band charged the zonal energy weighted-average Ex Post Price</p> <p>Negative deviations below the Tolerance Ban are charged 50% of the zonal energy weighted-average Ex Post Price</p>	<p>Uninstructed Deviation Penalties calculated (but not Settled, pending FERC order):</p> <p>Positive Uninstructed Deviation quantities in excess of the Tolerance Band are charged 100% of the corresponding Settlement Interval Real-Time LMP.</p> <p>Negative Uninstructed Deviation quantities in excess of the Tolerance Band are charged 50% of the corresponding Settlement Interval Real-Time LMP</p> <p>A Multiplier will be used for the uninstructed deviation quantity outside the band (based on the number of hourly infractions).</p>

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Real Time Imbalance Energy Settlement (6 of 6)	
<p>MSS Deviation Penalties (for load following): Weighted price calculated from the Zonal Ex Post Prices for the settlement interval. Positive Deviation quantities in excess of the Tolerance Band are charged at a 100% of this calculated price for the corresponding 10-minute interval. Negative Uninstructed Deviation quantities in excess of the Tolerance Band are charged 100% of the MSS Ex-Post Price for the corresponding 10-minute interval (note that the effective charge is 200% because the deviating resource would have already been charged for UIE).</p>	<p>Same principles for load following as current Settlement, however: For Positive Deviation quantities, settlement is an amount equal to one hundred percent (100%) of the product of the highest LMP paid to MSS Operator for its generation in the settlement interval and the amount of the Imbalance Energy that is supplied in excess of the Deviation Band. For Negative Deviation quantities, settlement is an amount equal to the product of the IOU-LAP price for the settlement interval Deviation Price and two hundred percent (200%) of the shortfall that is outside of the Deviation Band. The payment in the previous sentence is in addition to the charges for the Imbalance Energy that serves the excess MSS Demand that may be applicable under the CAISO Tariff</p>

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
CRR Settlement	
<p>Firm Transmission Rights paradigm Annual auction separate from existing Settlement process.</p>	<p>CRR Settlements consisting of: CRR Auction Invoice Hourly CRR Settlement Monthly Clearing of the CRR Balancing Account Yearly Clearing of the CRR Balancing Account Annual and Monthly auctions CRR Holders in any settlement period will receive payment or be charged based on the IFM Congestion Fund calculated as the difference between the IFM Congestion Charge and the IFM Congestion Credits.</p>

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Inter-SC Trades Settlement	
<p>Necessary to enable Market Participants to balance forward Energy schedules by trading imbalances amount themselves.</p> <p>Allows for AS trading</p> <p>SC to SC trades treated as either imports or exports for the respective SC's portfolio</p> <p>No financial settlement through CAISO</p>	<p>Not necessary for CAISO to facilitate trades due to lack of balanced schedule requirement</p> <p>Maintains ability to trade AS, with some improvements</p> <p>Trading of IFM Demand Uplift obligations with respect to Bid Cost Recovery</p> <p>Validation and explicit Financial settlement provided at the respective LMP in both the Day Ahead Market and the Hour Ahead Scheduling Process.</p>

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Bid Cost Recovery Settlement	
<p>Un-recovered Bid Cost for Generators & Load:</p> <ul style="list-style-type: none"> - Surplus or Deficit Calculated for each 10-min interval based on difference between 10-min Resource-specific price and Resource's Bid Cost netted for the n-Settlement interval in a Trade Day. - BCR considers Bid Floor and Ceilings - Un-recovered Bid Cost Recovery is evenly distributed to the n-Settlement intervals - Pro-rata Allocation to SC based on Metered Demand <p>Un-recovered Bid Cost for Pre-dispatched - Paid "as bid":</p> <ul style="list-style-type: none"> - Pro-rata Allocation to Net Negative Deviators and Excess Cost Neutrality Allocation 	<p>Energy and A/S Bid Cost Recovery resources provided for self-committed or CAISO committed, and Start-Up and Minimum Load Cost Recovery for eligible CAISO committed resources in:</p> <ul style="list-style-type: none"> IFM RUC Real Time <p>-All internal generators, Participating Loads, and System Resources, under certain conditions, are eligible for BCR</p> <p>-Amount of BCR for each resource is determined over the operating day by netting all revenues and eligible cost for that resource across IFM, RUC and RTM excluding revenues from Self Scheduled Energy and Self-Provided A/S.</p> <ul style="list-style-type: none"> - No Bid Cost Recovery for HASP pre-dispatched interties (HASP LMP should be sufficient to cover bids). - Costs include Start Up, Minimum Load, Pump and Participating Load Shut-Down, Load Bid, Energy Bid, and AS Bid - Subject to tolerance band for UIE - Allocation of BCR charges are unbundled for IFM, RUC, and Real Time

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Start Up Recovery	
<p>Start Up Costs and Allocations:</p> <p>SCs charged based on the Control Area Gross Load and Demand within California outside of the CAISO Control Area that is served by exports from the CAISO Control Areas</p> <p>Funds received are used to pay verified Start Up Cost incurred by a Must-Offer Generator as a direct result of an ISO Dispatch Instruction</p> <p>Start Up rate is projected annual total of all Start Up Costs incurred by Must-Offer Generators as a direct result of an ISO dispatch instruction</p>	<ul style="list-style-type: none"> - Start up Costs recovered under Bid Cost Recovery principles detailed under BCR settlement. - Resources are only eligible for BCR for their Start-Up to the extent that they are committed by the CAISO.

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Minimum Load Cost Recovery	
<p>MLCC and Allocations:</p> <ul style="list-style-type: none"> Resource eligible for MLCC during Settlement Intervals within waiver denial hours Running within its Tolerance Band while operating at minimum load Operating above Pmin in response to an ISO dispatch instruction of Imbalance Energy in Real-Time Allocation of MLCC for System Needs <ul style="list-style-type: none"> - 1st Tier – Net Negative Deviators - 2nd Tier – allocated to SC in proportion to SC's monthly load and export within CA to monthly sum of ISO Control Area Gross Load and the projected export within CA Allocation of MLCC for Reliability Service <ul style="list-style-type: none"> Allocate to PTO where unit(s) is/are located Allocation of MLCC for Inter-zonal Congestion <ul style="list-style-type: none"> Allocated to each SC in the constrained zone based on the ratio of the SC's monthly demand to the sum of all SCs monthly demand in that zone 	<ul style="list-style-type: none"> - Minimum Load Costs recovered under Bid Cost Recovery principles detailed in BCR settlement. - Resources are only eligible for BCR for their Minimum Load to the extent that they are committed by the CAISO.

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Emissions Recovery	
<p>Emissions Cost Payment and Recovery</p> <p>SCs charged based on the Control Area Gross Load and Demand within California outside of the CAISO Control Area that is served by exports from the CAISO Control Areas</p> <p>Funds received are used to pay verified Emissions Cost incurred by a Must-Offer Generator as a direct result of an ISO Dispatch Instruction</p> <p>Emissions rate is projected annual total of all Emissions Costs incurred by Must-Offer Generators as a direct result of an ISO dispatch instruction</p>	<p>Same as current Settlement with following exceptions:</p> <p>Emissions Cost incurred by a Must-Offer Generator occurs during a CAISO Commitment Period.</p> <p>Rate projection based on CAISO Commitment Period.</p>

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Transmission Access Charge	
<p>Consists of both: Wheeling Access Charges and Allocations, and High Voltage Access Charges and Allocations</p>	<p>Same as current Settlement principles with a new provision for Wheeling to account for Prepayment of Wheeling Access Charges.</p>

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
RMR Invoicing and Settlements	
RMR Invoicing through Oracle Financials	RMR Invoicing through eterra system
Preemption of Ancillary Service Awards for Day Ahead, Hour Ahead and Real Time	Charge Codes will be retired in MRTU. IFM dispatching of RMR units plus the increased complexity of the calculations and the reduced number of RMR units under MRTU the benefit no longer justify the complexity

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Neutrality	
Existing Contracts Neutrality Adjustment; manual calculation and allocation of exemptions	Exemptions automatically included in charge code calculations; no need for distinct charge code
Semi Annual Rounding Allocation: currently spread to Market Participants based on Metered Demand.	Due to precision of calculations in new system, rounding amounts are expected to decrease. Any rounding error attributed to calculations will be written off and no spread to Market Participants

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Participating Intermittent Resources Program Charges	
<p>Settlement for:</p> <ul style="list-style-type: none"> Forecasting Service Fee Monthly Net Deviation at Weighted Average MCP for eligible resources Exemptions for Replacement Reserve, Uninstructed Energy, UDP, Allocation of Excess Cost, and Transmission Loss Obligation Allocation of difference between Monthly Net Deviation and CAISO assumed charges 	<p>Same as current settlement, except:</p> <ul style="list-style-type: none"> Monthly Net Deviation Settled at Monthly Average Price (weighted average Real Time LMP at the PIR node) Applicable exemptions (other than UDP) still in evaluation

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Grid Management Charges	
15 unbundled buckets for specific operating costs	To be determined: Stakeholder process to be scheduled

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
FERC Fees	
<ul style="list-style-type: none"> - Settlement determined on a monthly basis - Separate Invoice paid monthly or annually based on SC credit rating. 	<ul style="list-style-type: none"> - Settlement estimated daily and provided on statements - Included on Market Invoice for where credit rating requires monthly payment - Separate Invoice and new charge code for Annual payments

Settlement Comparison

CURRENT (PHASE 1B) SETTLEMENT	MRTU SETTLEMENT
Financial Charges	
Default Invoice Interest and Allocation: Currently a manual line item adjustment	Input provided as PTB from Market Clearing for automatic allocations
Shortfall Allocation and Receipt Distribution: Processed in Oracle Financials with no regeneration of payment advices	Input provided as PTB from Market Clearing for automatic allocation of shortfall amounts and distribution on a revised payment advice

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