

2.5.22.4.2 Form of Supplemental Energy Bid Information.

Supplemental Energy bids must include the following:

- (a) Bidder name and identification;
- (b) Resource name, identification, and location;
- (c) the positive or negative bid price of incremental and decremental changes in Energy (up to eleven ordered pairs of quantity/price representing up to ten steps);
- (d) Generating Unit operating limits (high and low MW);
- (e) Generating Unit ramp rate (MW/Min); and
- (f) Such other information as the ISO may determine it requires to evaluate bids, as published from time to time in ISO Protocols.

Scheduling Coordinators for Must-Offer Generators, as defined in Section 5.11 of this ISO Tariff, may elect to submit Supplemental Energy bids for gas-fired Generating Units at the Proxy Price calculated in accordance with Section 2.5.23.3.3.4. Scheduling Coordinators for all other Generating Units, System Units, and System Resources may elect to submit Supplemental Energy bids to be paid the Marginal Proxy Clearing Price as determined in accordance with Section 2.5.23.3.3.1.

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2.5.23.3 Temporary Limitation on BEEP Interval Ex Post Prices

2.5.23.3.1 Limitation. Notwithstanding any other provision of the ISO Tariff, during System Emergencies the BEEP Interval Ex Post Price shall not exceed the highest Proxy Price calculated in accordance with Section 2.5.23.3.4 for a gas-fired Generating Unit that : (i) is owned or controlled by a Must-Offer Generator; and (ii) is dispatched by the ISO to provide Imbalance Energy.^{\$450} This Proxy Price shall establish the Market Clearing Price (the "Marginal Proxy Clearing Price") for all Scheduling Coordinators for Generating Units, System Units, and System Resources that submit bids at or below the level of the Marginal Proxy Clearing Price during System Emergencies unless the marginal bid accepted by the ISO for the supply of Imbalance

Energy from a gas-fired Generating Unit owned or controlled by a Must-Offer Generator is below the calculated Proxy Price for that Generating Unit, in which case such marginal bid shall establish the Marginal Proxy Clearing Price. Scheduling Coordinators for Generating Units, System Units, and System Resources that submit bids above the Marginal Proxy Clearing Price \$150 for the supply of Imbalance Energy during System Emergencies shall be paid in accordance with their bids if accepted for Dispatch by the ISO. Scheduling Coordinators for Generating Units, System Units and System Resources that submit bids for the supply of Imbalance Energy above the Marginal Proxy Clearing Price during System Emergencies shall be subject to the cost justification requirements and potential refunds, as set forth in Section 2.5.23.3.5.

2.5.23.3.2 Charges for Certain Instructed Imbalance Energy. Amounts paid to Scheduling Coordinators in accordance with Section 2.5.23.3.1 for Instructed Imbalance Energy from Generating Units, System Units and System Resources at bids above the Marginal Proxy Clearing Price \$150 shall be charged to Scheduling Coordinators such that the charge to each Scheduling Coordinator shall be pro rata based upon the same proportion as the Scheduling Coordinator's Net Negative Uninstructed Deviations for the BEEP Interval bears to the total Net Negative Uninstructed Deviations of all Scheduling Coordinators for the BEEP Interval. Such charge shall apply in lieu of any charge specified in the ISO Tariff for such Instructed Imbalance Energy based on the BEEP Interval Ex Post Price.

2.5.23.3.3 Requirement of Must-Offer Generators to File Heat Rate and Emission Rate Data—[Not Used]

Must-Offer Generators, as defined in Section 5.11 of this ISO Tariff, that own or control gas-fired Generating Units must file with the ISO and the FERC, on a confidential basis, the heat rates and emission rates for each gas-fired Generating Unit that they own or control. Heat rate and emission rate data shall be provided in the format specified by the ISO as posted on the ISO Home Page. Heat rate data provided to comply with this requirement shall not include start-up or minimum Load fuel costs. Must-Offer Generators must also file periodic updates of this data upon the direction of either FERC or the ISO. If requested by a Must-Offer Generator, the ISO will treat the information provided to the ISO in accordance with this Section 2.5.23.3.3 as

confidential and will apply the procedures in section 20.3.4 of ISO Tariff with regard to requests for disclosure of such information.

2.5.23.3.4 Calculation of the Proxy Price

The ISO shall calculate each day separate Proxy Prices for each gas-fired Generating Unit owned or controlled by a Must-Offer Generator by applying the filed heat rates and emission rates for those Generating Units to a daily proxy figure for natural gas costs and a daily proxy figure for emissions costs with an additional \$2/MWh allowed for operations and maintenance expenses. The proxy figures for natural gas and emission costs shall be based on the most recent data available and shall be posted on the ISO Home Page by 8:00 AM on the day prior to which the figures will be used for calculation of the Proxy Price.

2.5.23.3.5 Requirement to Justify Bids Above the Proxy Price

The following entities shall be required to provide cost justification for Supplemental Energy bids submitted to the ISO:

- (a) Scheduling Coordinators for gas-fired Generating Units owned or controlled by Must-Offer Generators that submit bids for the supply of Imbalance Energy during System Emergencies above the Proxy Price for those Generating Units;
and
- (b) Scheduling Coordinators for all other Generating Units, System Units, and System Resources that submit bids for the supply of Imbalance Energy during System Emergencies above the Marginal Proxy Clearing Price determined in accordance with Section 2.5.23.3.1.

Scheduling Coordinators subject to the cost justification requirement shall provide such justification in writing to the ISO and the FERC by no later than seven (7) calendar days after the end of the month in which the bid was submitted. The cost justification for bids submitted on behalf of Must-Offer Generators and other Generating Units and System Units shall include a detailed breakdown of the component costs associated with such bids. The cost justification for bids submitted on behalf of non-Scheduling Coordinator Market Participants shall include a detailed breakdown of the prices paid by that non-Scheduling Coordinator Market Participants for

the Energy bid. Cost justifications provided pursuant to this Section 2.5.23.3.5 shall not include components representing scarcity rents or opportunity costs. Amounts collected by Scheduling Coordinators subject to the cost justification requirement in excess of the Proxy Price or Marginal Proxy Clearing Price, as applicable, shall be subject to refund, as may be ordered by the FERC.

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2.5.27.7 Temporary Limitation on Ancillary Service Prices.

~~**[Not Used]** Notwithstanding any other provision of the ISO Tariff, the Market Clearing Prices for Regulation Up, Regulation Down, Spinning Reserves, Non-Spinning Reserves, and Replacement Reserves shall not exceed \$150. Scheduling Coordinators for Generating Units, System Units, Loads, and System Resources that submit bids above \$150 for the supply of these Ancillary Services shall be paid in accordance with their bids if accepted by the ISO.~~

Master Definitions Supplement

Marginal Proxy Clearing Price The Market Clearing Price determined in accordance with Section 2.5.23.3.1.

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Proxy Price The value determined for each gas-fired Generating Unit owned or controlled by a Must-Offer Generator in accordance with Section 2.5.23.3.4.