

Energy Imbalance Market Implementation- Bid Cost Recovery, Sequential Netting

Fall Release 2014



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EIM BCR sequential netting

Each interval the ISO will:

- 1. Determine if there is a shortfall
- 2. Calculate the 5-minute BCR pre-transfer amount
- 3. Calculate to the amount attributed to transfer out
- Calculate the % of transfer allocated to transfer in and transfer out
- 5. Calculate the amount of transfer in or transfer out \$
- Calculate the 5-minute BCR total

 Compare costs and revenues for each generator in BAA and determine if there is a shortfall

	Daily									
		Cost		Revenue		BCR				
Generator A	\$	2,200	\$	2,200	\$	-				
Generator B	\$	1,800	\$	1,300	\$	500				
Generator C	\$	2,000	\$	3,100	\$	-				
Generator D	\$	1,500	\$	1,300	\$	200				
Generator E	\$	1,800	\$	1,650	\$	150				
Total					\$	850				



Determine the 5-minute BCR pre-transfer amount for each BAA

			Daily							
		Cost	Revenu	е	В	CR				
Generator A	\$	2,200	\$ 2	,200 \$,	-				
Generator B	\$	1,800	\$ 1	,300 \$	•	500				
Generator C	\$	2,000	\$ 3	,100 \$	•	-				
Generator D	\$	1,500	\$ 1	,300 \$	5	200				
Generator E	\$	1,800	\$ 1	,650 \$	5	150				
			BAA 1	K	/	BAA 2		BAA 3	BAA 4	Tot
Daily BCR		\$		850	\$	400	\$	100	\$ 150	\$
5-Minute BCR Pre	-Transfer	\$		2.95	\$	1.39	Ś	0.35	\$ 0.52	\$

5-Minute BCR Pre-Transfer = Daily BCR/24/12



 Determine the total transfer out which is the sum of the absolute value of UIE, UFE and the EIM transfer quantity

BAA 1	BAA 2	BAA 3	BAA 4
90	105	40	90
-60	-75	-40	-145
10	-5	-10	0
-30	-30	5	55
100	110	N/A	N/A
	90 -60 10	90 105 -60 -75 10 -5 -30 -30	90 105 40 -60 -75 -40 10 -5 -10 -30 5

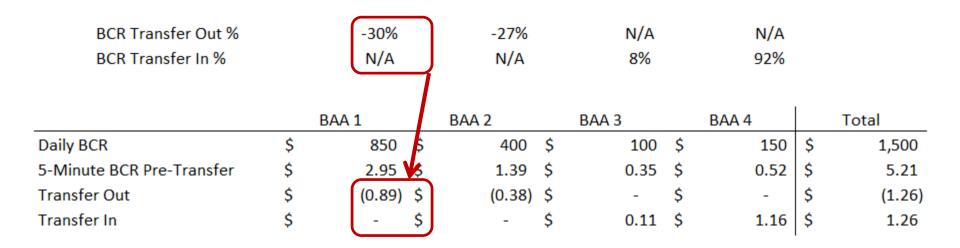


- Determine the BCR % transfer out by dividing the EIM transfer quantity by the transfer out amount
- Determine the BCR % transfer in by adding EIM transfer quantity for each BAA and dividing by the sum of the total positive EIM transfer quantity

MWh	BAA 1	BAA 2	BAA 3	BAA 4
IIE	90	105	40	90
UIE	-60	-75	-40	-145
UFE	10	-5	-10	0
EIM Transfer Quantity	-30	-30	5	55
Transfer out	100	110	N/A	N/A
BCR Transfer Out % BCR Transfer In %	-30% N/A	-27% N/A	N/A 8%	N/A 92%



 Apply the BCR % transfer in or out to the 5-minute BCR pre-transfer amount to determine the credit or debit amount



 Sum the 5-minute BCR pre-transfer amount and the transfer in or transfer out \$ to determine the 5-minute BCR total

	BAA 1		BAA 2		BAA 3		BAA 4	Total		
Daily BCR	\$	850	\$	400	\$	100	\$	150	\$	1,500
5-Minute BCR Pre-Transfer	\$	2.95	\$	1.39	\$	0.35	\$	0.52	\$	5.21
Transfer Out	\$	(0.89)	\$	(0.38)	\$	-	\$	-	\$	(1.26)
Transfer In	\$	-	\$	-	\$	0.11	\$	1.16	\$	1.26
5-Minute BCR Total	\$	2.07	\$	1.01	\$	0.45	\$	1.68	\$	5.21

Questions?

