**11.8.6.3 Determination of Total Positive CAISO Markets Uplifts**

**11.8.6.3.1 Total Positive IFM Uplifts**

Any positive Net IFM Bid Cost Uplifts are reduced by scaling them with the uplift ratio in Section 11.8.6.3.1(iii) to determine the Total IFM Uplift (for a Settlement Interval) as follows:

(i) The Total IFM Uplift is the Net IFM Bid Cost Uplift for all Settlement Intervals in the IFM Market.

(ii) The Total Positive IFM Uplift is determined as the sum of the positive IFM Bid Cost Uplift for all Settlement Intervals in the IFM Market.

(iii) The uplift ratio is equal to the Total IFM Uplift divided by the Total Positive IFM Uplift.

**11.8.6.3.2 Net RUC Bid Cost Uplift and RTM Bid Cost Uplift**

The CAISO will determine the Net RUC Bid Cost Uplift and the Net RTM Bid Cost Uplift to be allocated to each Balancing Authority Area in the EIM Area as follows:

(i) For each Balancing Authority Area separately, the CAISO will calculate a combined RUC Bid Cost Uplift and RTM Bid Cost Uplift amount based on the RUC Bid Cost Shortfall, RUC Bid Cost Surplus, RTM Bid Cost Shortfall, and RTM Bid Cost Surplus of each supply resource located within the Balancing Authority Area for each Settlement Interval.

(ii) For each Balancing Authority Area separately, for each Trading Day, the CAISO will calculate a daily combined total RUC Bid Cost Uplift and RTM Bid Cost Uplift amount as the sum of all the Settlement Interval values calculated according to Section 11.8.6.3.2(i).

(iii) For each Balancing Authority Area separately, for each Trading Day, the CAISO will calculate a combined total positive RUC Bid Cost Uplift and RTM Bid Cost Uplift amount as the sum of the positive Settlement Interval values calculated according to Section 11.8.6.3.2(i).

(iv) The CAISO will calculate the daily uplift ratio for the RUC and RTM, for each Balancing Authority Area in the EIM Area, as the daily combined total RUC Bid Cost Uplift and RTM Bid Cost Uplift amount, calculated according to Section 11.8.6.2(ii), divided by the daily combined total positive RUC Bid Cost Uplift and RTM Bid Cost Uplift, calculated according to Section 11.8.6.2(iii).

(v) For each Settlement Interval and each Balancing Authority Area in the EIM Area, the CAISO will multiply the applicable daily uplift ratio with each combined total positive RUC Bid Cost Uplift and each combined total RTM Bid Cost Uplift to determine the Net RUC Bid Cost Uplift and the preliminary Net RTM Bid Cost Uplift, respectively, for each Balancing Authority Area.

(vi) The CAISO shall adjust the preliminary Net RTM Bid Cost Uplift amounts calculated in Section 11.8.6.3.2(v) by –

(a) dividing the sum of net EIM Transfers out of a Balancing Authority Area by that Balancing Authority Area’s EIM Measured Demand, and the net EIM Transfer out of the Balancing Authority Area;

(b) multiplying the preliminary Net RTM Bid Cost Uplift amounts by the ratio calculated in Section 11.8.6.3.2(vi)(a); and

(c) reducing the preliminary Net RTM Bid Cost Uplift amounts of the EIM Entity Balancing Authority Area with the net transfer out by the amount calculated in Section 11.8.6.3.2(vi)(b) and adding that amount to the EIM Entity Balancing Authority Area with the net transfer in to determine the final preliminary Net RTM Bid Cost Uplift amounts.

(vii) For each Settlement Interval, the Net RUC Bid Cost Uplift and final Net RTM Bid Cost Uplift apportionment by Settlement Interval for each Balancing Authority Area in the EIM Area will be the sum of the amounts calculated in Sections 11.8.6.3.2(v) and, for Net RTM Bid Cost Uplift only, 11.8.6.3.2(vi) for each Balancing Authority Area in the EIM Area.

\* \* \* \* \*

## 29.11 Settlements and Billing for EIM Market Participants.

(a) **Applicability.** Section 29.11, rather than Section 11, shall apply to the CAISO Settlement with EIM Entity Scheduling Coordinators and EIM Participating Resource Scheduling Coordinators, except as otherwise provided, but not to other Scheduling Coordinators.

(b) **Imbalance Energy.**

(1) **FMM Instructed Imbalance Energy.**

(A) **Calculation.**

(i) **EIM Participating Resources.** The CAISO will calculate an EIM Participating Resource’s FMM Instructed Imbalance Energy in the same manner as it calculates FMM Instructed Imbalance Energy under Section 11.5.1.1, except that references to the Day-Ahead Schedule in the relevant Appendix A definitions shall be deemed references to the EIM Base Schedule and that the CAISO will include any Energy from an EIM Manual Dispatch of the EIM Participating Resource in the FMM that is identified by the EIM Entity Scheduling Coordinator prior to the start of the FMM.

(ii) **Non-Participating Resources.** The CAISO will calculate the FMM Instructed Imbalance Energy of non-participating resources in an EIM Entity Balancing Authority Area in the same manner as it calculates FMM Instructed Imbalance Energy under Section 11.5.1.1, except that references to the Day-Ahead Schedule in the relevant Appendix A definitions shall be deemed references to the EIM Base Schedule and that the CAISO will include any Energy from an EIM Manual Dispatch or EIM Auto-Match of the EIM non-participating resource in the FMM that is identified by the EIM Entity Scheduling Coordinator prior to the start of the FMM.

(B) **Settlement.** The CAISO will settle –

(i) the FMM Instructed Imbalance Energy with the EIM Participating Resource Scheduling Coordinator for EIM Participating Resources; and

(ii) with the applicable EIM Entity Scheduling Coordinator for non-participating resources in an EIM Entity Balancing Authority Area.

(2) **RTD Instructed Imbalance Energy.**

(A) **Calculation.**

(i) **EIM Participating Resources.** The CAISO will calculate an EIM Participating Resource’s RTD Instructed Imbalance Energy in the same manner in which it calculates RTD Instructed Imbalance Energy under Sections 11.5.1.2 and 11.5.5, except that the CAISO will include any Energy from an EIM Manual Dispatch of the EIM Participating Resource in the RTD that is identified by the EIM Entity Scheduling Coordinator.

(ii) **Non-Participating Resources.** The CAISO will calculate the RTD Instructed Imbalance Energy of non-participating resources in an EIM Entity Balancing Authority Area in the same manner in which it calculates RTD Instructed Imbalance Energy under Section 11.5.1.2 and 11.5.5, except that the CAISO will include any Energy from an EIM Manual Dispatch or EIM Auto-Match of the EIM non-participating resource in the RTD that is identified by the EIM Entity Scheduling Coordinator.

(B) **Settlement.** The CAISO will settle the RTD Instructed Imbalance Energy –

(i) with the EIM Participating Resource Scheduling Coordinator for EIM Participating Resources; and

(ii) with the applicable EIM Entity Scheduling Coordinator for non-participating resources in an EIM Entity Balancing Authority Area.

(3) **Uninstructed Imbalance Energy.**

(A) **EIM Participating Resources.**

(i) **Calculation.** For EIM Participating Resources and an EIM Entity Balancing Authority Area’s dynamic import/export schedules with external resources, the CAISO will calculate Uninstructed Imbalance Energy in the same manner in which it calculates Uninstructed Imbalance Energy under Section 11.5.2.1.

(ii) **Settlement.** The CAISO will settle the Uninstructed Imbalance Energy with the EIM Participating Resource Scheduling Coordinator or the EIM Entity Scheduling Coordinator, as applicable.

(B) **Non-Participating Resources.**

(i) **Calculation.** For non-participating resources in an EIM Entity Balancing Authority Area, the CAISO will calculate Uninstructed Imbalance Energy in accordance with Section 11.5.2, except that the CAISO will treat an EIM Base Schedule as a Day-Ahead Schedule and the CAISO will treat an EIM Manual Dispatch and an EIM Auto-Match as a Dispatch Instruction.

(ii) **Settlement.** The CAISO will settle the Uninstructed Imbalance Energy for non-participating resources in an EIM Entity Balancing Authority Area at the applicable RTD Locational Marginal Price in accordance with Section 11.5.2.1 with the applicable EIM Entity Scheduling Coordinator and will treat EIM Balancing Authority Demand in the same manner as the CAISO treats CAISO Demand under that Section.

(C) **Non-Participating Load.**

(i) **Calculation.** For non-participating Load in an EIM Entity Balancing Authority Area, the CAISO will calculate Uninstructed Imbalance Energy in accordance with Section 11.5.2.2, except that the CAISO will determine deviations based on the EIM Base Load Schedule.

(ii) **Settlement.** The CAISO will settle Uninstructed Imbalance Energy for non-participating Load in an EIM Entity Balancing Authority Area at the applicable Default LAP Hourly Real-Time Price in accordance with Section 11.5.2.2 with the applicable EIM Entity Scheduling Coordinator and will treat EIM Balancing Authority Demand in the same manner as the CAISO treats CAISO Demand under that Section.

(c) **Unaccounted For Energy of EIM Entities.**

(1) **Calculation.** The CAISO will calculate Unaccounted For Energy for each EIM Entity Balancing Authority Area as the difference between metered Demand, and the sum of the metered Supply and the metered values at the interties, adjusted for losses.

(2) **Settlement.**

(A) **Election to Settle Unaccounted for Energy.** For EIM Entity Scheduling Coordinators that submit metered Demand through Meter Data, the CAISO will settle Unaccounted For Energy with the applicable EIM Entity Scheduling Coordinator at the applicable Hourly Real-Time LAP price.

(B) **Election Not to Settle Unaccounted for Energy.** Annually, the EIM Entity Scheduling Coordinator that does not submit metered Demand through Meter Data may elect to not settle Unaccounted For Energy through the CAISO Markets, in which case –

(i) the CAISO will apply a zero-percent Transmission Losses factor when calculating the Initial EIM base load schedule per section 29.34(g); and

(ii) the EIM Entity Scheduling Coordinator will apply a zero-percent Transmission Losses factor when calculating their metered Demand.

(d) **Charges for Over- and Under-Scheduling of EIM Entities.**

(1) **Under-Scheduling Charges.**

(A) **Level 1 Charge.** If, during any Trading Hour, the metered Demand within an EIM Entity Balancing Authority Area exceeds the EIM Base Schedule of Supply submitted by the EIM Entity by more than 5% but less than or equal to 10% and by at least 2 MW, the CAISO shall charge the applicable EIM Entity Scheduling Coordinator for all Uninstructed Imbalance Energy at the EIM Entity Load Aggregation Point at a price that is 125% of the Hourly Real-Time LAP Price.

(B) **Level 2 Charge.** If, during any Trading Hour, the metered Demand within an EIM Entity Balancing Authority Area exceeds the EIM Base Schedule of Supply submitted by the EIM Entity by more than 10% and by at least 2 MW, the CAISO shall charge the applicable EIM Entity Scheduling Coordinator for all Uninstructed Imbalance Energy at the EIM Entity Load Aggregation Point at a price that is 200% of the Hourly Real-Time LAP price.

(2) **Over-Scheduling Charges.**

(A) **Level 1 Charge.** If, during any Trading Hour, the metered Demand within an EIM Entity Balancing Authority Area is less than the EIM Base Schedule of Supply submitted by the EIM Entity by more than 5% but less than or equal to 10% and by at least 2 MW, the CAISO shall pay the applicable EIM Entity Scheduling Coordinator for all Uninstructed Imbalance Energy at the EIM Entity Load Aggregation Point at a price that is 75% of the Hourly Real-Time LAP Price.

(B) **Level 2 Charge.** If, during any Trading Hour, the metered Demand within an EIM Entity Balancing Authority Area is less than the EIM Base Schedule of Supply submitted by the EIM Entity by more than 10% and by at least 2 MW, the CAISO shall pay the applicable EIM Entity Scheduling Coordinator for all Uninstructed Imbalance Energy at the EIM Entity Load Aggregation Point at a price that is 50% of the Hourly Real-Time LAP Price.

(3) **Distribution of Revenues.**

(A) **Apportionment.** The CAISO will calculate the total daily excess revenues received from under-scheduling charges and over-scheduling charges under Section 29.11(d)(1) and (2) and apportion them to Balancing Authority Areas in the EIM Area that were not subject to either under-scheduling or over-scheduling charges during the Trading Day according to metered Demand.

(B) **Allocation.** The CAISO will allocate –

(i) the amounts apportioned to EIM Entity Balancing Authority Areas pursuant to Section 29.11(d)(3)(A) to the applicable EIM Entity Scheduling Coordinator; and

(ii) the amounts apportioned to the CAISO Balancing Authority Area pursuant to Section 29.11(d)(3)(A) to Scheduling Coordinators in the CAISO Balancing Authority Area according to metered Demand.

(4) **Exemption.** An EIM Entity will be exempt from under-scheduling and over-scheduling charges under Section 29.11(d)(1) and (2) if it uses the Demand Forecast prepared by the CAISO in its EIM Resource Plan and it approves EIM Base Schedules for its resources within +/- 1% of the CAISO Demand Forecast, as determined according to the Business Practice Manual for the Energy Imbalance Market.

(e) **Neutrality Accounts.**

(1) **In General.** The CAISO will collect neutrality amounts from EIM Market Participants to recover differences in Real-Time Market payments made and Real-Time Market payments received.

(2) **Real-Time Congestion Offset.** The CAISO will assess EIM Entity Scheduling Coordinators a Real-Time Congestion Offset allocation calculated pursuant to Section 11.5.4.1.1.

(3) **Real-Time Imbalance Energy Offset Allocation.** The CAISO will assess EIM Entity Scheduling Coordinators a Real-Time Imbalance Energy Offset allocation calculated pursuant to Section 11.5.4.1.

(4) **Real-Time Marginal Cost of Losses Offset.** The CAISO will allocate the Real-Time Marginal Cost of Losses Offset to EIM Entity Scheduling Coordinators pursuant to Section 11.5.4.1.2.

(5) **Other Neutrality Adjustments.** The CAISO will levy additional charges on or make additional payments to EIM Market Participants as adjustments in accordance with Section 11.14.

(f) **Real-Time Bid Cost Recovery.**

(1) **In General.** The CAISO will provide EIM Participating Resources RTM Bid Cost Recovery.

(2) **Calculation of Real-Time Bid Cost Recovery.** The CAISO will calculate Real-Time Bid Cost Recovery in accordance with Section 11.8.4, except that the CAISO will treat a non-zero EIM Base Schedule of an EIM Participating Resource as an IFM Self-Schedule and the corresponding intervals as IFM self-commitment intervals.

(3) **Application of Real-Time Performance Metric.**

The CAISO will adjust the RTM Energy Bid Cost, the RTM Market Revenues, and RTM Minimum Load Costs determined pursuant to Section 29.11(f)(2) by multiplying the Real-Time Performance Metric with those amounts for the applicable Settlement Interval pursuant to the rules specified in Section 11.8.4.4 and its subsections, except that the CAISO will treat an EIM Base Schedule as a Day-Ahead Schedule.

(4) **Allocation of EIM Entity RTM Bid Cost Uplift.**

(A) **Calculation of Charge.** The Net RTM Bid Cost Uplift will be determined for each EIM Entity Balancing Authority Area in accordance with the methodology set forth in Section 11.8.6.

(B) **Settlement.** The CAISO will assess the Net RTM Bid Cost Uplift calculated for each EIM Entity Balancing Authority Area to the applicable EIM Entity Scheduling Coordinator in accordance with Section 11.8.6.6.(ii).

(g) **[Not Used]**

(h) **EIM Initial Fee.** The CAISO will charge Balancing Authority Areas that enter into an EIM Implementation Agreement pursuant to Section 29.2(b) an initial fee to cover a share of the capital and operations and maintenance costs associated with setting up the Real-Time Market to accommodate the participation of the Balancing Authority as an EIM Entity. The fee will be established by the EIM Implementation Agreement entered into pursuant to Section 29.2(b)(1) as accepted by FERC.

(i) **EIM Administrative Charge.**

(1) **In General.** The CAISO will charge EIM Market Participants an EIM Administrative Charge consisting of the real-portions of the Market Services Charge and the System Operations Charge.

(2) **Market Services Charge.** The Market Services Charge shall be the product of the Market Services Charge for each Scheduling Coordinator as calculated according to the formula in Appendix F, Schedule 1, Part A, the real-time market percentage as calculated in the cost of service study according to Appendix F, Schedule 1, Part A, and the sum of Gross FMM Instructed Imbalance Energy (excluding FMM Manual Dispatch Energy) and Gross RTD Instructed Imbalance Energy (excluding RTD Manual Dispatch Energy Standard Ramping Deviation, Ramping Energy Deviation, Residual Imbalance Energy, and Operational Adjustments).

(3) **System Operations Charge.** The System Operations Charge shall be the product of the System Operations Charge for each Scheduling Coordinator, as calculated according to the formula in Appendix F, Schedule 1, Part A, the real-time market percentage as calculated in the cost of service study conducted according to Appendix F, Schedule 1, Part A, and the absolute difference between metered energy and the EIM Base Schedules.

(4) **Minimum EIM Administrative Charge.**  The CAISO will calculate the minimum EIM Administrative Charge as the product of the sum of the real-time activities associated with market services charge and the real-time activities chart associated with system operations, as well as –

(A) five percent of the total gross absolute value of Supply of all EIM Market Participants; plus

(B) five percent of the total gross absolute value of Demand of all EIM Market Participants.

(5) **Withdrawing EIM Entity.** If the EIM Entity notifies the CAISO of its intent to terminate participation in the Energy Imbalance Market and requests suspension of the Energy Imbalance Market in its Balancing Authority Area under Section 29.4(b)(4), the CAISO will charge the EIM Entity the minimum EIM Administrative Charge calculated under Section 29.11(i)(4) during the notice period.

(6) **Application of Revenues.** The CAISO will apply revenues received from the EIM Administrative Charge against the costs to be recovered through the Grid Management Charge as described in Appendix F, Schedule 1, Part A.

(j) **Variable Energy Resource Forecast Charge.**

(1) **In General.** The CAISO will charge EIM Entity Scheduling Coordinators and EIM Participating Resource Scheduling Coordinators a fee for the Variable Energy Resource forecasting services in accordance with Appendix F, Schedule 4.

(2) **Waiver.** The CAISO will waive the Variable Energy Resource forecast charge if an EIM Entity has an independent forecast for its Variable Energy Resources and provides the independent forecast to the CAISO.

(k) **Transmission Service.** The CAISO will charge EIM Market Participants for transmission service according to Section 29.26.

(l) **Settlement.** With regard to the CAISO’s assessment and payment of charges to, and collection of charges from, EIM Market Participants pursuant to Sections 11 and 29.11, the CAISO shall assess, pay and collect such charges, address disputed invoices, assess, pay and collect Settlement-related fees and charges, including those under Sections 11.21, 11.28, and 11.29, and make any financial adjustments in accordance with the terms and schedule set forth in Section 11.

(m) **Charges Related to RTM Participation of Interties.** In the event that an EIM Entity enables participation in the Real-Time Market on EIM External Interties, the EIM Entity Scheduling Coordinator shall also be subject to any applicable charges under Sections 11.31 and 11.32.

(n) **EIM Transfers and Settlement for Contingency Reserve Obligations.** The CAISO shall allocate Operating Reserve Obligations to EIM Entity Scheduling Coordinators for EIM Transfers as follows –

(1) EIM Entity Scheduling Coordinators will receive a payment equal to three (3) percent of the hourly MW EIM Transfer into the CAISO Balancing Authority Area multiplied by the hourly user rate for Spinning Reserves and Non-Spinning Reserves, as calculated per Section 11.10.3.3 and 11.10.4.3, respectively; and

(2) EIM Entity Scheduling Coordinators will receive a charge equal to three (3) percent of the hourly MW EIM Transfer out of the CAISO Balancing Authority Area multiplied by the hourly user rate for Spinning Reserves and Non-Spinning Reserves, as calculated per Section 11.10.3.3 and 11.10.4.3, respectively.

(o) **Application of Persistent Deviation Metric.**

The CAISO will modify the Bid Cost Recovery calculations described in Section 29.11(f) and Residual Imbalance Energy payments in Section 11.5.5 as described in Section 11.17, except that the CAISO will treat an EIM Base Schedule as a Day-Ahead Schedule.

(p) **Flexible Ramping Product.** The CAISO will allocate and settle payments and charges for the Flexible Ramping Product according to Section 11.25, where the CAISO will consider EIM Base Schedules of non-participating resources as Self-Schedules.

(q) **EIM Transfer System Resource Settlement Information.** The CAISO will provide EIM Entities with non-binding Settlement information associated with Energy transfer schedule changes from their respective base schedules between EIM Entity Balancing Authority Areas.

(r) **EIM Transfer System Resource Settlement.**

(1) **EIM Transfer System Resource Registration.** The CAISO will provide each EIM Entity with financially binding Settlement of Energy transfer schedule changes from its respective base schedules between EIM Entity Balancing Authority Areas, and will –

(A) establish for each EIM Entity that shares an EIM Internal Intertie a to/from EIM Transfer system resource pricing location in their respective EIM Entity Balancing Authority Area;

(B) associate with each to/from EIM Transfer system resource pricing location a unique base EIM Transfer system resource that accounts for Energy transfer schedule changes between EIM Entity Balancing Authority Areas;

(C) require each EIM Entity Scheduling Coordinator to submit EIM Base Schedules and E-Tags that identifies Energy transfer schedule changes at the registered base EIM Transfer system resource; and

(D) reject EIM Base Schedule changes at the to/from EIM Transfer system resource pricing location not associated with the registered base EIM Transfer system resource. (2) **Settlement for EIM Transfer System Resource Changes.** The CAISO will settle EIM Transfer system resource changes established pursuant to Section 29.11(r)(1) as –

(A) FMM Instructed Imbalance Energy or RTD Instructed Energy based on the Settlement Interval in which the E-Tag is received, without regard for other Energy types identified in Sections 11.5.1.1 or 11.5.2.2, or as an Operational Adjustment if the E-Tag is received after the end of the Operating Hour for purposes of Energy accounting in accordance with the applicable WECC business practices;

(B) based on the difference between the E-Tag and the EIM Transfer system resource base schedule;

(C) at the relevant FMM or RTD Locational Marginal Price at each unique EIM Transfer system pricing location associated with the base EIM Transfer system resource; and

(D) including any contribution that the base EIM Transfer system resource might have otherwise had on the RTM Bid Cost Recovery pursuant to Section 29.11(f).