



# Decision on Proposed New Market Tariff Modifications

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General Session  
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Management recommended policy change to address frequency and cost of real-time unit commitment.

**Proposed Change**

**1**

Increase frequency of SU and ML bids from 6 months to 30 days

Lower bid cap to 200%

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**Targeted Outcome**

Lower frequency of real-time commitments

Enable generators to better reflect costs

– Feedback –

Stakeholders – support short-term proposal, eager for more frequent bidding, O&M component of SU costs (second phase)

MSC – concerned about efficacy and potential cost increases

Management recommended policy change to eliminate unnecessary CRR shortfall allocation equation.

**Proposed Change**

**2**

Eliminate hourly pro-rate allocation equation since CRR shortfalls are fully funded monthly

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**Targeted Outcome**

Avoid artificial appearance of CRR revenue inadequacy

– Feedback –

No known opposition

Management recommended policy change to address how electrically disconnected PNodes are priced.

**Proposed Change**

**3**

Define methodology to price the Locational Marginal Price (LMP) for disconnected PNodes  
Recommended method is to set the LMP to that of the closest connected node

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**Targeted Outcome**

Avoid problem of inconsistent CRR settlements due to default MCC of \$0

– Feedback –

No known opposition