



# Changes to Bidding Start-Up & Minimum Load

MSC / Stakeholder Meeting

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# Issue Statement

- The new ISO markets commit units based on their Start-Up and Minimum Load bids
- SU and ML bids are static for 6 months
  - Fuel-cost option linked to natural gas prices
  - Registered-cost option is a bid subject to the SU/ML bid cap
- Market software commits units to run at Pmin and then de-commits
  - Wear and tear on the units
  - Trouble recouping operating costs

# Short-Term Option

- Change the restriction on updating the registered-cost value or opting for the fuel-cost option
  - Change from once every 6 months, to once every 30 days
  - Master File updates still subject to a lag of 5 to 11 days
- 6-month restriction adopted before energy price caps
- Could be implemented relatively quickly
  - Requires Tariff change, but no change to software

# Longer-Term Options

- Option 2A:
  - Enable daily or hourly bidding of SU and ML into SIBR
  - Bids bounded between 0 and the registered-cost option cap
  
- Option 2B:
  - Enable daily or hourly bidding of SU and ML into SIBR
  - Bids not capped, but if the unit is subject to LMPM, SU and ML bids are mitigated down to default SU and ML values

# Questions for the MSC

- Concerns about relaxing the 6-month restriction?
- Preferences over 2A and 2B?
- Daily or hourly bidding of SU and ML?

# Next steps...

June 17, 2009	Presentation to stakeholders and the MSC
June 24, 2009	Stakeholder comments due
July 20-21, 2009	<b>Short-term</b> proposal to BOG for approval
July 23, 2009	Revised proposal including stakeholder and MSC comments posted
July 30, 2009	Conference call
August 6, 2009	Stakeholder comments due
August 13, 2009	Final proposal posted
September 10-11, 2009	<b>Longer-term</b> proposal to BOG for approval

# Questions, Comments, Concerns & Compliments...

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