

**SETTLEMENT AND BILLING PROTOCOL**

**APPENDICES A-I**

## APPENDIX A

### GRID MANAGEMENT CHARGE COMPUTATION

#### **A 1 Purpose of charge**

The purpose of the Grid Management Charge is to allocate to Scheduling Coordinators the ISO's startup, development, operation and maintenance costs as set out in Section 8 of the ISO Tariff.

#### **A 2 Fundamental formulae**

##### **A 2.1 Grid Management Price**

The Grid Management Charge is determined in accordance with Appendix F, Schedule 1 of the ISO Tariff.

The grid management price (GMP) is the figure (in \$/MWh) specified in Schedule 1 of the Section 35 Cost Statement filed in accordance with Section 8.1.2 of the ISO Tariff (as amended from time to time).

##### **A 2.2 Grid Management Charge**

The Grid Management Charge for each Scheduling Coordinator j is calculated using the following formula:

$$GMC_j = GMP * QCharge_j$$

#### **A 3 Meaning of terms of formulae**

##### **A 3.1 GMC<sub>j</sub> -- \$**

The monthly Grid Management Charge for a given Scheduling Coordinator j.

##### **A 3.2 QCharge<sub>j</sub> -- MWh**

The monthly metered consumption (including Wheeling Out and Wheeling Through the ISO Control Area) for the Scheduling Coordinator j whose Grid Management Charge is being calculated.

## APPENDIX B

### GRID OPERATIONS CHARGE COMPUTATION

#### **B 1 Purpose of charge**

The Grid Operations Charge is a charge which recovers redispatch costs incurred due to Intra-Zonal Congestion pursuant to Section 7.3.2 of the ISO Tariff. The Grid Operations Charge is paid by or charged to Scheduling Coordinators in order for the ISO to recover and properly redistribute the costs of adjusting the Balanced Schedules submitted by Scheduling Coordinators.

#### **B 2 Fundamental formulae**

##### **B 2.1 Payments to SCs with incremented schedules**

When it becomes necessary for the ISO to increase the output of a Scheduling Coordinator's Generating Unit<sub>i</sub> or System Resource<sub>i</sub> or reduce a Curtailable Demand<sub>i</sub> in order to relieve Congestion within a Zone, the ISO will pay the Scheduling Coordinator. The amount that ISO pays the Scheduling Coordinator<sub>j</sub> is the price specified in the Scheduling Coordinator's Day-Ahead or Hour-Ahead Adjustment Bid (or Imbalance Energy bid as appropriate) for the Generating Unit<sub>i</sub> or System Resource<sub>i</sub> or Curtailable Demand<sub>i</sub> multiplied by the quantity of Energy rescheduled. The formula for calculating the payment to Scheduling Coordinator<sub>j</sub> for each block<sub>b</sub> of Energy of its Adjustment Bid curve in Trading Interval<sub>t</sub> is:

$$INC_{bijt} = adjinc_{bijt} * \Delta inc_{bijt}$$

##### **B 2.1.1 Total Payment for Trading Interval**

The formula for calculating payment to Scheduling Coordinator<sub>j</sub> whose Generating Unit<sub>i</sub> or System Resource<sub>i</sub> has been increased or Curtailable Demand<sub>i</sub> reduced for all the relevant blocks<sub>b</sub> of Energy in the Adjustment Bid curve (or Imbalance Energy bid) of that Generating Unit or System Resource or Curtailable Demand in the same Trading Interval<sub>t</sub> is:

$$PayTI_{ijt} = \sum_b INC_{bijt}$$

**B 2.2 Charges to Scheduling Coordinators with decremented schedules**

When it becomes necessary for the ISO to decrease the output of a Scheduling Coordinator's Generating Unit<sub>i</sub> or System Resource<sub>i</sub> in order to relieve Congestion within a Zone, the ISO will make a charge to the Scheduling Coordinator. The amount that the ISO will charge Scheduling Coordinator<sub>j</sub> is the price specified in the Scheduling Coordinator's Day-Ahead or Hour-Ahead Adjustment Bid (or Imbalance Energy bid) for the Generating Unit<sub>i</sub> or System Resource<sub>i</sub> multiplied by the quantity of Energy rescheduled. The formula for calculating the charge to Scheduling Coordinator<sub>j</sub> for each block<sub>b</sub> of Energy in its Adjustment Bid curve (or Imbalance Energy bid) in Trading Interval<sub>t</sub> is:

$$DEC_{bijt} = adjdec_{bijt} * \Delta dec_{bijt}$$

**B 2.2.1 Total Charge for Trading Interval**

The formula for calculating the charge to Scheduling Coordinator<sub>j</sub> whose Generating Unit<sub>i</sub> or System Resource<sub>i</sub> has been decreased for all the relevant blocks<sub>b</sub> of Energy in the Adjustment Bid curve (or Imbalance Energy bid) of that Generating Unit or System Resource in the same Trading Interval<sub>t</sub> is:

$$ChargeTI_{ijt} = \sum_b DEC_{bijt}$$

**B 2.3 Not Used**

**B 2.4 Net ISO redispatch costs**

The Trading Interval net redispatch cost encountered by ISO to relieve Intra-Zonal Congestion is the sum of the amounts paid by the ISO to those Scheduling Coordinators whose Generation or System Resource was increased or Curtailable Demand was decreased during the Trading Interval less the sum of the amounts received by the ISO from those Scheduling Coordinators whose Generating Units or System Resource were decreased during the Trading Interval. The fundamental formula for calculating the net redispatch cost is:

$$REDISP_{CONG_t} = \sum_j PayTI_{ijt} - \sum_j ChargeTI_{ijt}$$

Note that  $REDISP_{CONG_t}$  can be either positive or negative. This means that it is possible for the ISO to generate either a net cost or a net income, for any given Trading Interval. In the event the ISO does not make use of equal amounts of incremental and decremental dispatched MWHs, then the net redispatch cost becomes the sum of the amounts paid (or charged) by the ISO to those Scheduling Coordinators whose Generation or System Resource was increased (or decreased) or Curtailable Demand was decreased (or increased) during the Trading Interval less the sum of the amounts received by the ISO from Scheduling Coordinators through the Imbalance Energy Market.

**B 2.5 Grid Operations Price**

The grid operations price is the Trading Interval rate used by the ISO to apportion net Trading Interval redispatch costs to Scheduling Coordinators within the Zone with Intra-Zonal Congestion. The grid operations price is calculated using the following formula:

$$GOP_t = \frac{REDISP_{CONG_t}}{\sum_j QCharge_{jt} + \sum_j Export_{jt}}$$

**B 2.6 Grid Operations Charge**

The Grid Operations Charge is the vehicle by which the ISO recovers the net redispatch costs. It is allocated to each Scheduling Coordinator in proportion to the

Scheduling Coordinator's Demand in the Zone with Intra-Zonal Congestion and Exports from the Zone with Intra-Zonal Congestion. The formula for calculating the Grid Operations Charge for Scheduling Coordinator<sub>j</sub> in Trading Interval<sub>t</sub> is:

$$GOC_{jt} = GOP_t * (QCharge_{jt} + EXPORT_{jt})$$

**B 3 Meaning of terms of formulae**

**B 3.1 INC<sub>bijt</sub> - \$**

The payment from the ISO due to Scheduling Coordinator<sub>j</sub> whose Generating Unit<sub>i</sub> or System Resource<sub>e</sub> is increased or Curtailable Load<sub>i</sub> is reduced within a block<sub>b</sub> of Energy in its Adjustment Bid curve (or Imbalance Energy bid) in Trading Interval<sub>t</sub> in order to relieve Intra-Zonal Congestion.

**B 3.2 adjinc<sub>bijt</sub> - \$/MWh**

The incremental cost for the rescheduled Generating Unit<sub>i</sub> or System Resource<sub>e</sub> or Curtailable Load<sub>i</sub> taken from the relevant block<sub>b</sub> of Energy in the Day-Ahead or Hour-Ahead Adjustment Bid curve (or Imbalance Energy bid) submitted by the Scheduling Coordinator<sub>j</sub> for the Trading Interval<sub>t</sub>.

**B 3.3 Δinc<sub>bijt</sub> - MW**

The amount by which the Generating Unit<sub>i</sub> or System Resource<sub>e</sub> or Curtailable Load<sub>i</sub> of Scheduling Coordinator<sub>j</sub> for Trading Interval<sub>t</sub> is increased by the ISO within the relevant block<sub>b</sub> of Energy in its Adjustment Bid curve (or Imbalance Energy bid).

**B 3.4 Pay<sub>TIjt</sub> - \$**

The Trading Interval payment to Scheduling Coordinator<sub>j</sub> whose Generating Unit<sub>i</sub> has been increased or System Resource<sub>e</sub> or Curtailable Load<sub>i</sub> reduced in Trading Interval<sub>t</sub> of the Trading Day.

**B 3.5 DEC<sub>bijt</sub> - \$**

The charge to Scheduling Coordinator<sub>j</sub> whose Generating Unit<sub>i</sub> or System Resource<sub>e</sub> is decreased for Trading Interval<sub>t</sub> within a block<sub>b</sub> of Energy in its Adjustment Bid curve (or Imbalance Energy resource).

**B 3.6 adjdec<sub>bijt</sub> - \$/MWh**

The decremental cost for the rescheduled Generating Unit<sub>i</sub> or System Resource<sub>e</sub> taken from the relevant block<sub>b</sub> of Energy of the Day-Ahead or Hour-Ahead Adjustment Bid curve (or Imbalance Energy resource) submitted by Scheduling Coordinator<sub>j</sub> for the Trading Interval<sub>t</sub>.

- B 3.7**             **$\Delta dec_{bijt}$  - MW**  
The amount by which the Generating Unit<sub>i</sub> or System Resource<sub>i</sub> of Scheduling Coordinator<sub>j</sub> for Trading Interval<sub>t</sub> is decreased by ISO within the relevant block<sub>b</sub> of Energy of its Adjustment Bid curve (or Imbalance Energy resource).
- B 3.8**            **Charge $TI_{ijt}$  - \$**  
The Trading Interval charge to Scheduling Coordinator<sub>j</sub> whose Generating Unit<sub>i</sub> or System Resource<sub>i</sub> has been decreased in Trading Interval<sub>t</sub> of the Trading Day.
- B 3.9**            **Not Used**
- B 3.10**          **Not Used**
- B 3.10.1**       **Not Used**
- B 3.10.2**        **$P_{xt}$  - \$/MWh**  
The zonal Hourly Ex Post Price, for Uninstructed Imbalance Energy, for Trading Interval t in Zone x.
- B 3.11**          **REDISP<sub>CONGt</sub> - \$**  
The Trading Interval net cost to ISO to redispatch in order to relieve Intra-Zonal Congestion during Trading Interval<sub>t</sub>.
- B 3.12**          **GOP<sub>t</sub> - \$/MWh**  
The Trading Interval grid operations price for Trading Interval<sub>t</sub> used by the ISO to recover the costs of redispatch for Intra-Zonal Congestion Management.

**B 3.13**      **GOC<sub>jt</sub> - \$**

The Trading Interval Grid Operations Charge by the ISO for Trading Interval<sub>t</sub> for Scheduling Coordinator<sub>j</sub> in the relevant Zone with Intra-Zonal Congestion.

**B 3.14**      **QCHARGE<sub>jt</sub> – MWh**

The Trading Interval metered Demand within a Zone for Trading Interval<sub>t</sub> for Scheduling Coordinator<sub>j</sub> whose Grid Operations Charge is being calculated.

**B 3.15**      **EXPORT<sub>jt</sub> – MWh**

The total Energy for Trading Interval<sub>t</sub> exported from the Zone to a neighboring Control Area by Scheduling Coordinator<sub>j</sub>.

## APPENDIX C

### ANCILLARY SERVICES CHARGES COMPUTATION

#### **C 1 Purpose of charges**

The Ancillary Services Charges reimburse the ISO for the costs of purchasing Ancillary Services in the Day-Ahead and Hour-Ahead Markets. Each Scheduling Coordinator that does not self provide Ancillary Services must purchase these services from the ISO. The ISO will in turn purchase these Ancillary Services from Scheduling Coordinators in the markets. Ancillary Services purchased and resold by the ISO includes Regulation, Spinning Reserve, Non-Spinning Reserve, and Replacement Reserve. Any references in this Appendix C to the Ancillary Service "Regulation" shall be read as referring to "Regulation Up" or "Regulation Down".

This Appendix C also addresses the payments by ISO to Scheduling Coordinators for the Dispatch of energy from Dispatched Ancillary Services Units and for the Dispatch of Supplemental Energy in the Real Time Market. The ISO recovers the costs of Real Time Dispatch of such energy through the Imbalance Energy charges described in Appendix D of this Protocol.

The reference to a Scheduling Coordinator by Zone refers to the Demand of that Scheduling Coordinator which is located in the Zone. A Generation Unit, Load, or System Resource located in another Control Area is considered to be located in the Zone in which its contract path enters the ISO Controlled Grid.

The ISO will purchase Ancillary Services for each Trading Interval in both the Day-Ahead and Hour-Ahead Markets. Separate payments will be calculated for each service for each Trading Interval and in each market for each Generating Unit, Load and System Resource. The ISO will then calculate a total payment for each Scheduling Coordinator for each Trading Interval for each service for each Zone in each market for all the Generating Units, Loads and System Resources that the Scheduling Coordinator represents. The ISO will charge Scheduling Coordinators for Ancillary Services, other than for energy, which they purchase from the ISO by calculating and applying charges to each Scheduling Coordinator for each Trading Interval for each service in each Zone in each market.

The ISO will allocate the Ancillary Services capacity charges, for both the Day-Ahead Market and the Hour-Ahead Market, on a Zonal basis if the Day-Ahead Ancillary Services Market is procured on a Zonal basis. The ISO will allocate the Ancillary Services capacity charges, for both the Day-Ahead Market and the Hour-Ahead Market, on an ISO Control Area wide basis if the Day-Ahead Ancillary Services Market is defined on an ISO Control Area wide basis.

**C 2 Fundamental formulas**

**C 2.1 ISO payments to Scheduling Coordinators**

**C 2.1.1 Day-Ahead Market**

- (a) Regulation. When the ISO purchases Regulation capacity in the Day-Ahead Market, Scheduling Coordinators for Generating Units that provide this capacity will receive payments for each Trading Interval of the Day-Ahead Market. The payment for a given Generating Unit which provides Regulation capacity over a given Trading Interval will be the total quantity of Regulation capacity provided times the zonal Market Clearing Price for that Trading Interval in that Zone. The required Regulation capacity is defined in the Ancillary Services Requirements Protocol. Regulation Up and Regulation Down payments shall be calculated separately. This payment for Scheduling Coordinator j for providing Regulation Up capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$AGCUpPayDA_{ijxt} = AGCUpQDA_{ijxt} * PAGCUpDA_{xt}$$

This payment for Scheduling Coordinator j for providing Regulation Down capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$AGCDownPayDA_{ijxt} = AGCDownQDA_{ijxt} * PAGCDownDA_{xt}$$

The total Regulation Up payment to each Scheduling Coordinator for a given Trading Interval in the Day-Ahead Market for all the resources that it represents in a given Zone is calculated by summing all the payments for the resources of the Scheduling Coordinator in the Zone for the Trading Interval. This payment for Scheduling Coordinator j in Zone x for Trading Interval t is calculated as follows:

$$AGCUpPayTotalDA_{jxt} = \sum_i AGCUpPayDA_{ijxt}$$

The total Regulation Down payment to each Scheduling Coordinator for a given Trading Interval in the Day-Ahead Market for all the resources that it represents in a given Zone is calculated by summing all the payments for the resources of the Scheduling Coordinator in the Zone for the Trading Interval. This payment for Scheduling Coordinator j in Zone x for Trading Interval t is calculated as follows:

$$AGCDownPayTotalDA_{ixt} = \sum_i AGCDownPayDA_{ijxt}$$

- (b) Spinning Reserve. When ISO purchases Spinning Reserve capacity in the Day-Ahead Market. Scheduling Coordinators for Generating Units and System Resources that provide this capacity will receive payments for each Trading Interval of the Day-Ahead Market. The payment for a given Generating Unit or System Resource which provides Spinning Reserve capacity over a given Trading Interval will be the total quantity of Spinning Reserve capacity provided times the zonal Market Clearing Price for that Trading Interval in that Zone. The required Spinning Reserve capacity is defined in the Ancillary Services Requirements Protocol. This payment for Scheduling Coordinator j for providing Spinning Reserve capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$SpinPayDA_{ijxt} = SpinQDA_{ijxt} * PSpinDA_{xt}$$

The total Spinning Reserve payment to each Scheduling Coordinator for a given Trading Interval in the Day-Ahead Market for all the resources that it represents in a given Zone is calculated by summing all the payments for the resources of the Scheduling Coordinator in the Zone for the Trading Interval. This payment for Scheduling Coordinator j in Zone x for Trading Interval t is calculated as follows:

$$SpinPayTotalDA_{jxt} = \sum_i SpinPayDA_{ixt}$$

- (c) Non-Spinning Reserve. When the ISO purchases Non-Spinning Reserve capacity in the Day-Ahead Market, Scheduling Coordinators for Generating Units, Loads and System Resources that provide this capacity will receive payments for each Trading Interval of the Day-Ahead Market. The payment for a given Generating Unit, Load or System Resource which provides Non-Spinning Reserve capacity over a given Trading Interval will be the total quantity of Non-Spinning Reserve capacity provided times the zonal Market Clearing Price for that Trading Interval in that Zone. The required Non-Spinning Reserve capacity is defined in the Ancillary Services Requirements Protocol. This payment for Scheduling Coordinator j for providing Non-Spinning Reserve capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$NonSpinPayDA_{ijxt} = NonSpinQDA_{ijxt} * PNonSpinDA_{xt}$$

The total Non-Spinning Reserve payment to each Scheduling Coordinator for a given Trading Interval in the Day-Ahead Market for all the resources that it represents in a given Zone is calculated by summing all the payments for the resources of the Scheduling Coordinator in the Zone for the Trading Interval. This payment for Scheduling Coordinator j in Zone x for Trading Interval t is calculated as follows:

$$NonSpinPayTotalDA_{jxt} = \sum_i NonSpinPayDA_{ijxt}$$

- (d) Replacement Reserve. When the ISO purchases Replacement Reserve capacity in the Day-Ahead Market, Scheduling Coordinators for Generating Units, Loads and System Resources that provide this capacity will receive payments for each Trading Interval of the Day-Ahead Market. The payment for a given Generating Unit, Load or System Resource which provides Replacement Reserve capacity over a given Trading Interval will be the total quantity of Replacement Reserve capacity provided times the zonal Market Clearing Price for that

Trading Interval in that Zone. The required Replacement Reserve capacity is defined in the Ancillary Services Requirements Protocol. This payment for Scheduling Coordinator j for providing Replacement Reserve capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$ReplPayDA_{ijxt} = ReplQDA_{ijxt} * PReplDA_{xt}$$

The total Replacement Reserve payment to each Scheduling Coordinator for a given Trading Interval in the Day-Ahead Market for all the resources that it represents in a given Zone is calculated by summing all the payments for the resources of the Scheduling Coordinator in the Zone for the Trading Interval. This payment for Scheduling Coordinator j in Zone x for Trading Interval t is calculated as follows:

$$ReplPayTotalDA_{jxt} = \sum_i ReplPayDA_{ijxt}$$

#### C 2.1.2 Hour-Ahead Market

- (a) Regulation. When the ISO purchases Regulation capacity in the Hour-Ahead Market, Scheduling Coordinators for Generating Units that provide this capacity will receive payment for the Trading Interval of the Hour-Ahead Market. The payment for a given Generating Unit which provides Regulation capacity over the Trading Interval will be the total quantity of Regulation capacity provided times the zonal Market Clearing Price for that Trading Interval in that Zone. The required Regulation capacity is defined in the Ancillary Services Requirements Protocol. Regulation Up and Regulation Down payments shall be calculated separately. This payment for Scheduling Coordinator j for providing Regulation Up capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$AGCUpPayHA_{ijxt} = AGCUpQIHA_{ijxt} * PAGCUpHA_{xt}$$

This payment for Scheduling Coordinator j for providing Regulation Down capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$AGCDownPayHA_{ijxt} = AGCDownQIHA_{ijxt} * PAGCDownHA_{xt}$$

When a Scheduling Coordinator buys back, in the Hour-Ahead Market, Regulation capacity which it sold to the ISO in the Day-Ahead Market, the payment which the ISO receives will be the total quantity of Regulation capacity bought back times the zonal Hour-Ahead Market Clearing Price for that Trading Interval in that Zone.

This payment to the ISO from Scheduling Coordinator j to buy back Regulation Up capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$AGCUpReceiveHA_{ijxt} = AGCUpQDHA_{ijxt} * PAGCUpHA_{xt}$$

This payment to the ISO from Scheduling Coordinator j to buy back Regulation Down capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$AGCDownReceiveHA_{ijxt} = AGCDownQDHA_{ijxt} * PAGCDownHA_{xt}$$

The total Regulation payment for the Trading Interval of the Hour-Ahead Market to each Scheduling Coordinator for all the resources that it represents in a given Zone is calculated by summing all the payments for the resources of the Scheduling Coordinator in the Zone for the Trading Interval and then deducting therefrom any amount payable by the Scheduling Coordinator to the ISO for Regulation bought back by the Scheduling Coordinator from the ISO in the Hour-Ahead Market for the Trading Interval on behalf of resources located in the Zone. This payment for Scheduling Coordinator j in Zone x for Trading Interval t is calculated as follows:

$$AGCUpPayTotalHA_{jxt} = \sum_i AGCUpPayHA_{ijxt} - \sum_i AGCUpReceiveHA_{ijxt}$$

$$AGCDownPayTotalHA_{jxt} = \sum_i AGCDownPayHA_{ijxt} - \sum_i AGCDownReceiveHA_{ijxt}$$

- (b) Spinning Reserve. When the ISO purchases Spinning Reserve capacity in the Hour-Ahead Market, Scheduling Coordinators for Generating Units and System Resources that provide this capacity will receive payments for the Trading Interval of the Hour-Ahead Market. The payment for a given Generating Unit or System Resource which provides Spinning Reserve capacity over the Trading Interval will be the total quantity of Spinning Reserve capacity provided times the zonal Market Clearing Price for that Trading Interval in that Zone. This payment for Scheduling Coordinator j for providing Spinning Reserve capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$SpinPayHA_{ijxt} = SpinQIHA_{ijxt} * PSpinHA_{xt}$$

When a Scheduling Coordinator buys back in the Hour-Ahead Market Spinning Reserve capacity which it sold to the ISO in the Day-Ahead Market, the payment which the ISO receives will be the total quantity of Spinning Reserve capacity bought back times the zonal Hour-Ahead Market Clearing Price for that Trading Interval in that Zone.

This payment to the ISO from Scheduling Coordinator j to buy back Spinning Reserve capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$SpinReceiveHA_{ijxt} = SpinQDHA_{ijxt} * PSpinHA_{xt}$$

The total Spinning Reserve payment to each Scheduling Coordinator for the Trading Interval of the Hour-Ahead Market for all the resources that it represents in a given

Zone is calculated by summing all the payments for the resources of the Scheduling Coordinator in the Zone for the Trading Interval and then deducting therefrom any amount

payable by the Scheduling Coordinator to the ISO for Spinning Reserve bought back by the Scheduling Coordinator from the ISO in the Hour-Ahead Market for the Trading Interval on behalf of resources located in the Zone. This payment for Scheduling Coordinator j in Zone x for Trading Interval t is calculated as follows:

$$SpinPayTotalHA_{jxt} = \sum_i SpinPayHA_{ijxt} - \sum_i SpinReceiveHA_{ijxt}$$

- (c) Non-Spinning Reserve. When the ISO purchases Non-Spinning Reserve capacity in the Hour-Ahead Market, Scheduling Coordinators for Generating Units, Loads and System Resources that provide this capacity will receive payment for the Trading Interval of the Hour-Ahead Market. The payment for a given Generating Unit, Load or System Resource which provides Non-Spinning Reserve capacity over the Trading Interval will be the total quantity of Non-Spinning Reserve capacity provided times the zonal Market Clearing Price for that Trading Interval in that Zone. This payment for Scheduling Coordinator j for providing Non-Spinning Reserve capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$NonSpinPayHA_{ijxt} = NonSpinQIHA_{ijxt} * PNonSpinHA_{xt}$$

When a Scheduling Coordinator buys back in the Hour-Ahead Market Non-Spinning Reserve capacity which it sold to the ISO in the Day-Ahead Market, the payment which the ISO receives will be the total quantity of Non-Spinning Reserve capacity bought back times the zonal Hour-Ahead Market Clearing Price for that Trading Interval in that Zone.

This payment to the ISO from Scheduling Coordinator j to buy back Non-Spinning Reserve capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$NonSpinReceiveHA_{ijxt} = SpinQDHA_{ijxt} * PNonSpinHA_{xt}$$

The total Non-Spinning Reserve payment to each Scheduling Coordinator for the Trading Interval of the Hour-Ahead Market for all the resources that it represents in a given Zone is calculated by summing all the payments for the resources of the Scheduling Coordinator in the Zone for the Trading Interval and then deducting therefrom any amount payable by the Scheduling Coordinator to the ISO for Non-Spinning Reserve bought back by the Scheduling Coordinator from the ISO in the Hour-Ahead Market for the Trading Interval on behalf of resources located in the Zone.

This payment for Scheduling Coordinator j in Zone x for Trading Interval t is calculated as follows:

$$NonSpinPayTotalHA_{jxt} = \sum_i NonSpinPayHA_{ijxt} - \sum_i NonSpinReceiveHA_{ijxt}$$

- (d) Replacement Reserve. When the ISO purchases Replacement Reserve capacity in the Hour-Ahead Market, Scheduling Coordinators for Generating Units, Loads and System Resources that provide this capacity will receive payments for the Trading Interval of the Hour-Ahead Market. The payment for a given Generating Unit, Load or System Resource which provides Replacement Reserve capacity over the Trading Interval will be the total quantity of Replacement Reserve capacity provided times the zonal Market Clearing Price for that Trading Interval in that Zone. This payment for Scheduling Coordinator j for providing Replacement Reserve capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$ReplPayHA_{ijxt} = ReplQIHA_{ijxt} * PReplHA_{xt}$$

When a Scheduling Coordinator buys back in the Hour-Ahead Market Replacement Reserve capacity which it sold to the ISO in the Day-Ahead Market, the payment which the ISO receives will be the total quantity of Replacement Reserve capacity bought back times the zonal Hour-Ahead Market Clearing Price for that Trading Interval in that Zone.

This payment to the ISO from Scheduling Coordinator j to buy back Replacement Reserve capacity from a resource i in Zone x for Trading Interval t is calculated as follows:

$$ReplReceiveHA_{ijxt} = ReplQDHA_{ijxt} * PReplHA_{xt}$$

The total Replacement Reserve payment to each Scheduling Coordinator for the Trading Interval of the Hour-Ahead Market for all the resources that it represents in a given Zone is calculated by summing all the payments for the resources of the Scheduling Coordinator in the Zone for the Trading Interval and then deducting therefrom any amount payable by the Scheduling Coordinator to the ISO for Replacement Reserve bought back by the Scheduling Coordinator from the ISO in the Hour-Ahead Market for the Trading Interval on behalf of resources located in the Zone. This payment for Scheduling Coordinator j in Zone x for Trading Interval t is calculated as follows:

$$ReplPayTotalHA_{jxt} = \sum_i ReplPayHA_{ijxt} - \sum_i ReplReceiveHA_{ijxt}$$

**C 2.2 ISO allocation of charges to Scheduling Coordinators**

**C 2.2.1 Day-Ahead Market**

- (a) *Regulation.* The ISO will charge the zonal cost of providing Regulation capacity that is not self provided by Scheduling Coordinators, in the Day-Ahead Market, through the application of a charge to each Scheduling Coordinator for each Trading Interval. This charge will be computed by multiplying the Regulation user rate for the Trading Interval by the Scheduling Coordinator's Regulation obligation, for which it has not self provided, for the same period.

The zonal Regulation user rate for the Day-Ahead Market is calculated by dividing the total cost to ISO of purchasing Regulation Capacity within the Zone, for the Trading Interval, by the total ISO Regulation MW purchases for the Trading Interval within the Zone. Regulation Up and Regulation Down payments shall be calculated separately.

The Day-Ahead Regulation Up user rate in Zone x for Trading  
Interval t is calculated as follows:

$$AGCUpRateDA_{xt} = \frac{\sum_j AGCUpPayTotalDA_{jxt}}{AGCUpPurchDA_{xt}}$$

where,

$AGCUpPayTotalDA_{jxt}$  = Total Regulation Up payments for the Settlement Period t in the Day-Ahead market for the Zone x.

The Day-Ahead Regulation Down user rate in Zone x for Trading Interval t is calculated as follows:

$$AGCDownRateDA_{xt} = \frac{\sum_j AGCDownPayTotalDA_{jxt}}{AGCDownPurchDA_{xt}}$$

where,

$AGCDownPayTotalDA_{jxt}$  = Total Regulation Down payments for the Settlement Period t in the Day-Ahead Market for the Zone x.

The Regulation capacity charge for Scheduling Coordinator j in the Day-Ahead Market in Zone x for Trading Interval t is calculated as follows:

$$AGCUpChgDA_{jxt} = AGCUpOblig_{jxt} * AGCUpRateDA_{xt}$$

$$AGCDownChgDA_{jxt} = AGCDownOblig_{jxt} * AGCDownRateDA_{xt}$$

- (b) Spinning Reserve. The ISO will charge the zonal cost of providing Spinning Reserve capacity that is not self provided by Scheduling Coordinators, in the Day-Ahead Market, through the application of a charge to each Scheduling Coordinator for each Trading Interval. This charge will be computed by multiplying the Spinning Reserve capacity user rate for the Trading Interval by the Scheduling Coordinator's Spinning Reserve obligation, for which it has not self provided, for the same period.

The zonal Spinning Reserve capacity user rate for the Day-Ahead Market is calculated by dividing the total cost to ISO of purchasing Spinning Reserve capacity within the Zone, for the Trading Interval, by the total ISO Spinning Reserve MW purchases for the Trading Interval within the Zone. The Day-Ahead Spinning Reserve capacity user rate in Zone x for Trading Interval t is calculated as follows:

$$SpinRateDA_{xt} = \frac{\sum_j SpinPayTotalDA_{jxt}}{SpinPurchDA_{xt}}$$

The Spinning Reserve capacity charge for Scheduling Coordinator j in the Day-Ahead Market in Zone x for Trading Interval t is calculated as follows:

$$SpinChgDA_{jxt} = SpinOblig_{jxt} * SpinRateDA_{xt}$$

- (c) Non-Spinning Reserve. The ISO will charge the zonal cost of providing Non-Spinning Reserve capacity that is not self provided by Scheduling Coordinators, in the Day-Ahead Market, through the application of a charge to each Scheduling Coordinator for each Trading Interval. This charge will be computed by multiplying the Non-Spinning Reserve capacity user rate for the Trading Interval by the Scheduling Coordinator's Non-Spinning Reserve obligation, for which it has not self provided, for the same period.

The zonal Non-Spinning Reserve capacity user rate for the Day-Ahead Market is calculated by dividing the total cost to ISO of purchasing Non-Spinning Reserve capacity within the Zone, for the Trading Interval, by the total ISO Non-Spinning Reserve MW purchases for the Trading Interval within the Zone. The Day-Ahead Non-Spinning Reserve capacity user rate in Zone x for Trading Interval t is calculated as follows:

$$NonSpinRateDA_{xt} = \frac{\sum_j NonSpinPayTotalDA_{jxt}}{NonSpinPurchDA_{xt}}$$

The Non-Spinning Reserve capacity charge for Scheduling Coordinator j in the Day-Ahead Market in Zone x for Trading Interval t is calculated as follows:

$$NonSpinChgDA_{jxt} = NonSpinOblig_{jxt} * NonSpinRateDA_{xt}$$

**C 2.2.2 Hour-Ahead Market**

- (a) Regulation. The ISO will charge the zonal net cost of providing Regulation capacity that is not self provided by Scheduling Coordinators, in the Hour-Ahead Market through the application of a charge to each Scheduling Coordinator for the Trading Interval concerned. This charge will be computed by multiplying the Regulation user rate for the Trading Interval by the Scheduling Coordinator's Regulation obligation, for which it has not self provided, for the same period.

The zonal Regulation capacity user rate for the Hour-Ahead Market is calculated by dividing the total cost to the ISO of purchasing Regulation capacity within the Zone less any amounts payable to the ISO by Scheduling Coordinators for Regulation bought back from the ISO in the Hour-Ahead Market on behalf of resources located in the Zone, for the Trading Interval, by the total ISO Regulation capacity MW purchases for the Trading Interval within the Zone. Regulation Up and Down payments shall be calculated separately. The Hour-Ahead Regulation Up capacity user rate in Zone x for Trading Interval t is calculated as follows:

$$AGCUpRateHA_{xt} = \frac{\sum_j AGCUpPayTotalHA_{jxt}}{AGCUpPurchHA_{xt}}$$

where,

$AGCUpPayTotalHA_{jxt}$  = Total Regulation Up payments for the Settlement Period t in the Hour-Ahead Market for Zone x.

The Hour-Ahead Regulation Down capacity user rate in Zone x for Trading Interval t is calculated as follows:

$$AGCDownRateHA_{xt} = \frac{\sum_j AGCDownPayTotalHA_{jxt}}{AGCDownPurchHA_{xt}}$$

where,

$AGCDownPayTotalHA_{jxt}$  = Total Regulation Down payments for the Settlement Period t in the Hour-Ahead Market for Zone x.

The Regulation capacity charge for Scheduling Coordinator j in the Hour-Ahead Market in Zone x for Trading Interval t is calculated as follows:

$$AGCUpChgHA_{jxt} = (AGCUpOblig_{jxt} * AGCUpRateHA_{xt})$$

$$AGCDownChgHA_{jxt} = (AGCDownOblig_{jxt} * AGCDownRateHA_{xt})$$

- (b) Spinning Reserve. The ISO will charge the zonal net cost of providing Spinning Reserve capacity that is not self provided by Scheduling Coordinators, in the Hour-Ahead Market, through the application of a charge to each Scheduling Coordinator for the Trading Interval. This charge will be computed by multiplying the Spinning Reserve capacity user rate for the Trading Interval by the Scheduling Coordinator's Spinning Reserve obligation, for which it has not self provided, for the same period.

The zonal Spinning Reserve capacity user rate for the Hour-Ahead Market is calculated by dividing the total cost to ISO of purchasing Spinning Reserve capacity within the Zone less any amounts payable to the ISO by Scheduling Coordinators for Spinning Reserve bought back from the ISO in the Hour-Ahead Market on behalf of resources located in the Zone, for the Trading Interval, by the total ISO Spinning Reserve MW purchases for the Trading Interval within the Zone. The Hour-Ahead Spinning Reserve capacity user rate in Zone x for Trading Interval t is calculated as follows:

$$SpinRateHA_{xt} = \frac{\sum_j SpinPayTotalHA_{jxt}}{SpinPurchHA_{xt}}$$

The Spinning Reserve capacity charge for Scheduling Coordinator j in the Hour-Ahead Market in Zone x for Trading Interval t is calculated as follows:

$$SpinChgHA_{jxt} = (SpinOblig_{jxt} * SpinRateHA_{xt})$$

- (c) Non-Spinning Reserve. The ISO will charge the zonal net cost of providing Non-Spinning Reserve capacity that is not self provided by Scheduling Coordinators, in the Hour-Ahead Market, through the application of a charge to each Scheduling Coordinator for the Trading Interval. This charge will be computed by multiplying the Non-Spinning Reserve capacity user rate for the concerned Trading Interval by the Scheduling Coordinator's Non-Spinning Reserve obligation, for which it has not self provided, for the same period.

The zonal Non-Spinning Reserve capacity user rate for the Hour-Ahead Market is calculated by dividing the total cost to ISO of purchasing Non-Spinning Reserve capacity within the Zone less any amounts payable to the ISO by Scheduling Coordinators for Non-Spinning Reserve bought back from the ISO in the Hour-Ahead Market on behalf of resources in the Zone, for the Trading Interval, by the total ISO Non-Spinning Reserve MW purchases for the Trading Interval within the Zone. The Hour-Ahead Non-Spinning Reserve capacity user rate in Zone x for Trading Interval t is calculated as follows:

$$NonSpinRateHA_{xt} = \frac{\sum_j NonSpinPayTotalHA_{jxt}}{NonSpinObligTotal_{xt}}$$

The Non-Spinning Reserve capacity charge for Scheduling Coordinator j in the Hour-Ahead Market in Zone x for Trading Interval t is calculated as follows:

$$NonSpinChgHA_{jxt} = (NonSpinOblig_{jxt} * NonSpinRateHA_{xt})$$

**C 2.2.3 Replacement Reserve**

The user rate per unit of Replacement Reserve obligation for each Settlement Period t for each Zone x shall be as follows:

$$ReplRate_{xt} = \frac{(PRepResDA_{xt} * OrigReplReqDA_{xt}) + (PRepResHA_{xt} * OrigReplReqHA_{xt})}{OrigReplReqDA_{xt} + OrigReplReqHA_{xt}}$$

where:

*OrigReplReqDA<sub>xt</sub>* = Replacement Reserve requirement net of self-provision in the Day-Ahead Market before consideration of any substitutions pursuant to Section 2.5.3.6.

*OrigReplReqHA<sub>xt</sub>* = Incremental change in the Replacement Reserve requirement net of self-provision between the Day-

Ahead Market and the Hour-Ahead Market before consideration of any substitutions pursuant to Section 2.5.3.

$PRepResDA_{xt}$  is the Market Clearing Price for Replacement Reserve in the Day-Ahead Market for Zone  $x$  in Settlement Period  $t$ .

$PRepResHA_{xt}$  is the Market Clearing Price for Replacement Reserve in the Hour-Ahead Market for Zone  $x$  in Settlement Period  $t$ .

For each Settlement Period  $t$ , each Scheduling Coordinator shall pay to the ISO a sum calculated as follows for each Zone  $x$ :

$$ReplRate_{xt} * ReplOblig_{jxt}$$

where

$$ReplOblig_{jxt} = DevReplOblig_{jxt} + RemRepl_{jxt} - SelfProv_{jxt} + NetInterSCTrades_{jxt}$$

$DevReplOblig_{jxt}$  is the Scheduling Coordinator's obligation for deviation Replacement Reserve in Zone  $x$  in the Settlement Period  $t$  and  $RemRepl_{jxt}$  is the Scheduling Coordinator's obligation for remaining Replacement Reserve in Zone  $x$  for Settlement Period  $t$ .

$SelfProv_{jxt}$  is Scheduling Coordinator's Replacement Reserve self provision in Zone  $x$  for Settlement Period  $t$ .

$NetInterSCTrades_{jxt}$  is the sale of Replacement Reserve less the purchase of Replacement Reserve through Inter-Scheduling Coordinator Trades by Scheduling Coordinator  $j$  in Zone  $x$  for Settlement Period  $t$ .

Deviation Replacement Reserve for Scheduling Coordinator  $i$  in Zone  $x$  for Settlement Period  $t$  is calculated as follows:

If  $ReplObligTotal_{xt} > TotalDeviations_{xt}$  then:

$$DevReplOblig_{xjt} = \left[ \text{Max} \left( 0, \sum_i GenDev_{ijxt} \right) - \text{Min} \left( 0, \sum_i LoadDev_{ijxt} \right) \right]$$

If  $ReplObligTotal_{xt} < TotalDeviations_{xt}$  then:

$$DevReplOblig_{xjt} = \frac{ReplObligTotal_{xt}}{TotalDeviations_{xt}} * \left[ \text{Max} \left( 0, \sum_i GenDev_{ijxt} \right) - \text{Min} \left( 0, \sum_i LoadDev_{ijxt} \right) \right]$$

where,

$$TotalDeviations_{xt} = \sum_j \left[ \text{Max} \left( 0, \sum_i GenDev_{ijxt} \right) - \text{Min} \left( 0, \sum_i LoadDev_{ijxt} \right) \right]$$

$GenDev_{ijxt}$  = The deviation between scheduled and actual Energy generation for Generator  $i$  represented by Scheduling Coordinator  $I$  in Zone  $x$  during Settlement Period  $t$  as referenced in Section 11.2.4.1.

$LoadDev_{ijxt}$  = The deviation between scheduled and actual Load consumption for resource  $I$  represented by Scheduling Coordinator  $i$

in Zone x during Settlement Period t as referenced in Section 11.2.4.1.

$DevReplOblig_{xt}$  is total deviation Replacement Reserve in Zone x for Settlement Period t.

$ReplObligTotal_{xt}$  is total Replacement Reserve Obligation in Zone x for Settlement Period t.

Remaining Replacement Reserve for Scheduling Coordinator j in Zone x for Settlement Period t is calculated as follows:

$$RemRepl_{xjt} = \frac{MeteredDemand_{jxt}}{TotalMeteredDemand_{xt}} * TotalRemRepl_{xt}$$

where:

$MeteredDemand_{jxt}$  is the Scheduling Coordinator's total metered Demand excluding exports in Zone x for Settlement Period t.

$TotalMeteredDemand_{xt}$  is total metered Demand excluding exports in Zone x for Settlement Period t.

$$TotalRemRepl_{xt} = Max[0, ReplObligTotal_{xt} - DevReplOblig_{xt}]$$

#### **C 2.2.4 Rational Buyer Adjustments**

(a) If, in any Settlement Period, no quantity of Regulation, Spinning Reserve, Non-Spinning Reserve or Replacement Reserve is purchased in the Day-Ahead Market or the Hour-Ahead Market due to the operation of Section 2.5.3.6 of the ISO Tariff, then in lieu of the user rate determined in accordance with Section C 2.2.1, C 2.2.2, or C 2.2.3, as applicable, the user rate for the affected Ancillary Service for that Settlement Period shall be determined as follows:

- (i) If the affected market is a Day-Ahead Market, the user rate for the affected Ancillary Service shall be set at the lowest capacity reservation price for an unaccepted qualified capacity bid in a Day-Ahead Market for that Ancillary Service or for another Ancillary Service that meets the requirements for the affected Ancillary Service. If there are no such unaccepted bids, the user rate for the affected Ancillary Service shall be the lowest Market

Clearing Price for the same Settlement Period established in the Day-Ahead Market for another Ancillary Service that meets the requirements for the affected Ancillary Service.

(ii) If the affected market is an Hour-Ahead Market, the user rate for the affected Ancillary Service shall be set at the lowest capacity reservation price for an unaccepted qualified capacity bid in the Hour-Ahead Market for the same Settlement Period for that Ancillary Service or for another Ancillary Service that meets the requirements for the affected Ancillary Service. If there are no such unaccepted bids, the user rate for the affected Ancillary Service shall be the user rate for the same Ancillary Service in the Day-Ahead Market in the same Settlement Period.

- (b) With respect to each Settlement Period, in addition to the user rates determined in accordance with Sections C 2.2.1 through C 2.2.3, or Section C 2.2.4(a), as applicable, each Scheduling Coordinator shall be charged an additional amount equal to its proportionate share, based on total purchases by Scheduling Coordinators of Regulation, Spinning Reserve, Non-Spinning Reserve and Replacement Reserve of the amount, if any, by which (i) the total payments to Scheduling Coordinators pursuant to Section C 2.1 for the Day-Ahead Market and Hour-Ahead Market and all Zones, exceed (ii) the total amounts charged to Scheduling Coordinators pursuant to Sections C 2.2.1 through C 2.2.3, for the Day-Ahead Market and Hour-Ahead Market and all Zones. If total amounts charged to Scheduling Coordinators exceed the total payments to Scheduling Coordinators, each Scheduling Coordinator will be refunded its proportionate share, based on total purchases by Scheduling Coordinators of Regulation, Spinning Reserve, Non-Spinning Reserve and Replacement Reserve.

**C 2.2.5 Real-Time Market**

- (a) The ISO will charge the costs of purchasing Instructed Imbalance Energy output from Dispatched Spinning Reserve, Non-Spinning Reserve, Replacement Reserve and Supplemental Energy resources through the Instructed Imbalance Energy settlement process.

- (b) The ISO will charge the costs of purchasing Uninstructed Imbalance Energy (including incremental and decremental Energy from Generating Units providing Regulation) through the Uninstructed Imbalance Energy settlement process.
- (c) The ISO will charge the costs of Regulation Energy Payment Adjustments as calculated in accordance with Section 2.5.27.1 of the ISO Tariff, in accordance with SABP 3.1.1(d)

**C 3 Meaning of terms of formulae**

**C 3.1 AGCUpPayDA<sub>ijxt</sub> - \$**

The payment for Scheduling Coordinator j for providing Regulation Up capacity in the Day-Ahead Market from a resource i in Zone x for Trading Interval t.

**AGCDownPayDA<sub>ijxt</sub> - \$**

The payment for Scheduling Coordinator j for providing Regulation Down capacity in the Day-Ahead Market from a resource i in Zone x for Trading Interval t.

**C 3.2 AGCUpQDA<sub>ijxt</sub> – MW**

The total quantity of Regulation Up capacity provided in the ISO Day-Ahead Market from resource i by Scheduling Coordinator j in Zone x for Trading Interval t.

**AGCDownQDA<sub>ijxt</sub> – MW**

The total quantity of Regulation Down capacity provided in the ISO Day-Ahead Market from resource i by Scheduling Coordinator j in Zone x for Trading Interval t.

**C 3.3 PAGCUpDA<sub>xt</sub> - \$/MW**

In the case of Capacity made available in accordance with the ISO's Final Day-Ahead Schedules, the Market Clearing Price for units exempt from FERC Ancillary Service rate caps or the bid price for those Units subject to the cap for Regulation Up Capacity in the Day-Ahead Market for Trading Interval t in Zone x. In the case of Capacity not included in the ISO's Final Day-Ahead Schedules but made available in accordance with amended Ancillary Services supplier schedules issued in accordance with Section 2.5.21, the bid price for the unit for Regulation Up Capacity in Zone x for Trading Interval t.

**PAGCDownDA<sub>xt</sub> - \$/MW**

In the case of Capacity made available in accordance with the ISO's Final Day-Ahead Schedules, the Market Clearing Price for units exempt from FERC Ancillary Service rate caps or the bid price for those Units subject to the cap for Regulation Down Capacity in the Day-Ahead Market for Trading Interval t in Zone x. In the case of Capacity not included in the ISO's Final Day-Ahead Schedules but made available in accordance with amended Ancillary Services supplier schedules issued in accordance with Section 2.5.21, the bid price for the unit for Regulation Down Capacity in Zone x for Trading Interval t.

**C 3.4 AGCUpPayTotalDA<sub>jxt</sub> - \$**

The total payment for Regulation Up capacity to Scheduling Coordinator j in the Day-Ahead Market in Zone x for Trading Interval t.

**AGCDownPayTotalDA<sub>jxt</sub> - \$**

The total payment for Regulation Down capacity to Scheduling Coordinator j in the Day-Ahead Market in Zone x for Trading Interval t.

**C 3.5 AGCUpPayHA<sub>ijxt</sub> - \$**

The payment for Scheduling Coordinator j for providing incremental (additional to Day-Ahead) Regulation Up capacity in the Hour-Ahead Market from a resource i in Zone x for Trading Interval t.

**AGCDownPayHA<sub>ijxt</sub> - \$**

The payment for Scheduling Coordinator j for providing incremental (additional to Day-Ahead) Regulation Down capacity in the Hour-Ahead Market from a resource i in Zone x for Trading Interval t.

**C 3.5.1 AGCUpReceiveHA<sub>ijxt</sub> - \$**

The payment from Scheduling Coordinator j for buying back from the ISO in the Hour-Ahead Regulation Up capacity which the ISO had purchased from Scheduling Coordinator j in the Day-Ahead Market from a resource i in Zone x for Trading Interval t.

**AGCDownReceiveHA<sub>ijxt</sub> - \$**

The payment from Scheduling Coordinator j for buying back from the ISO in the Hour-Ahead Regulation Down capacity which the ISO had purchased from Scheduling Coordinator j in the Day-Ahead Market from a resource i in Zone x for Trading Interval t.

**C 3.6**            **AGCUpQIHA<sub>ijxt</sub> – MW**

The total quantity of incremental (additional to Day-Ahead) Regulation Up capacity provided in the ISO Hour-Ahead Market from resource i by Scheduling Coordinator j in Zone x for Trading Interval t.

**AGCDownQIHA<sub>ijxt</sub> – MW**

The total quantity of incremental (additional to Day-Ahead) Regulation Down capacity provided in the ISO Hour-Ahead Market from resource i by Scheduling Coordinator j in Zone x for Trading Interval t.

**C 3.7**            **AGCUpQDHA<sub>ijxt</sub> – MW**

The total quantity of decremental (less than Day-Ahead) Regulation Up capacity provided in the ISO Hour-Ahead Market from resource i by Scheduling Coordinator j in Zone x for Trading Interval t.

**AGCDownQDHA<sub>ijxt</sub> – MW**

The total quantity of decremental (less than Day-Ahead) Regulation Down capacity provided in the ISO Hour-Ahead Market from resource i by Scheduling Coordinator j in Zone x for Trading Interval t.

**C 3.7.1**        **PAGCUpHA<sub>xt</sub> - \$/MW**

The Market Clearing Price for units exempt from FERC Ancillary Service rate caps or the bid price for those units subject to the cap for incremental (additional to Day-Ahead) Regulation Up capacity in the Hour-Ahead Market for Trading Interval t in Zone x. On buyback condition, MCP applies.

**PAGCDownHA<sub>xt</sub> - \$/MW**

The Market Clearing Price for units exempt from FERC Ancillary Service rate caps or the bid price for those units subject to the cap for incremental (additional to Day-Ahead) Regulation Down capacity in the Hour-Ahead Market for Trading Interval t in Zone x. On buyback condition, MCP applies.

**C 3.8**            **AGCUpPayTotalHA<sub>jxt</sub> - \$**

The total payment for incremental (additional to Day-Ahead) Regulation Up capacity to Scheduling Coordinator j in the Hour-Ahead Market in Zone x for Trading Interval t, after deduction of payments from Scheduling Coordinator j for buying back from the

ISO in the Hour-Ahead, Regulation Up capacity which the ISO had purchased from Scheduling Coordinator j in the Day-Ahead Market in Zone x for Trading Interval t.

**AGCDownPayTotalHA<sub>jxt</sub> - \$**

The total payment for incremental (additional to Day-Ahead) Regulation Down capacity to Scheduling Coordinator j in the Hour-Ahead Market in Zone x for Trading Interval t, after deduction of payments from Scheduling Coordinator j for buying back from the ISO in the Hour-Ahead, Regulation Down capacity which the ISO had purchased from Scheduling Coordinator j in the Day-Ahead Market in Zone x for Trading Interval t.

**C 3.9 AGCUpRateDA<sub>xt</sub> - \$/MW**

The Day-Ahead Regulation Up capacity user rate charged to Scheduling Coordinators by the ISO in Zone x for Trading Interval t.

**AGCDownRateDA<sub>xt</sub> - \$/MW**

The Day-Ahead Regulation Down capacity user rate charged to Scheduling Coordinators by the ISO in Zone x for Trading Interval t.

**C 3.10 AGCUpObligTotal<sub>xt</sub> – MW**

The net total Regulation Up obligation in Zone x for Trading Interval t as defined in the Ancillary Services Requirements Protocol. This net total equals the total obligation minus that self-provided.

**AGCDownObligTotal<sub>xt</sub> – MW**

The net total Regulation Down obligation in Zone x for Trading Interval t as defined in the Ancillary Services Requirements Protocol. This net total equals the total obligation minus that self-provided.

**C 3.11 AGCUpChgDA<sub>jxt</sub> - \$**

The Regulation Up charge for Scheduling Coordinator j in the Day-Ahead Market in Zone x for Trading Interval t.

**AGCDownChgDA<sub>jxt</sub> - \$**

The Regulation Down charge for Scheduling Coordinator j in the Day-Ahead Market in Zone x for Trading Interval t.

**C 3.12 AGCUpOblig<sub>jxt</sub> – MW**

The net Regulation Up obligation for Scheduling Coordinator j in Zone x for Trading Interval t as defined in the Ancillary Services Requirements Protocol. This net obligation equals the obligation minus that self-provided.

**AGCDownOblig<sub>jxt</sub> – MW**

The net Regulation Down obligation for Scheduling Coordinator j in Zone x for Trading Interval t as defined in the Ancillary Services Requirements Protocol. This net obligation equals the obligation minus that self-provided.

**C 3.13 AGCUpRateHA<sub>xt</sub> - \$/MW**

The Hour-Ahead incremental (additional to Day-Ahead) Regulation Up capacity user rate charged to Scheduling Coordinators by the ISO in Zone x for Trading Interval t.

**AGCDownRateHA<sub>xt</sub> - \$/MW**

The Hour-Ahead incremental (additional to Day-Ahead) Regulation Down capacity user rate charged to Scheduling Coordinators by the ISO in Zone x for Trading Interval t.

**C 3.14 AGCUpChgHA<sub>jxt</sub> - \$**

The incremental (additional to Day-Ahead) Regulation Up charge for Scheduling Coordinator j in the Hour-Ahead Market in Zone x for Trading Interval t.

**AGCDownChgHA<sub>jxt</sub> - \$**

The incremental (additional to Day-Ahead) Regulation Down charge for Scheduling Coordinator j in the Hour-Ahead Market in Zone x for Trading Interval t.

**C 3.15 EnQPay<sub>ijxt</sub> - \$**

The payment for Scheduling Coordinator j for Instructed Imbalance Energy output from a resource i in the Real Time Market in Zone x for Trading Interval t.

**C 3.16**            **[Not Used]**

**C 3.17**            **[Not Used]**

**C 3.18**            **[Not Used]**

**C 3.19**            **SpinPayDA<sub>ijxt</sub> - \$**

The payment for Scheduling Coordinator j for providing Spinning Reserve capacity in the Day-Ahead Market from a resource i in Zone x for Trading Interval t.

**C 3.20**            **SpinQDA<sub>ijxt</sub> – MW**

The total quantity of Spinning Reserve capacity provided in the Day-Ahead Market by resource i represented by Scheduling Coordinator j in Zone x for Trading Interval t.

**C 3.20A**          **REPA<sub>ijxt</sub> - \$**

The Regulation Energy Payment Adjustment payable for real time incremental or decremental Energy provided from Regulation resource i of Scheduling Coordinator j in Zone x in Trading Interval t.

**C 3.20B**          **RUP<sub>ijxt</sub> – MW**

The upward Regulation capacity of Regulation resource i in Zone x included in the Final Schedule for Ancillary Services of Scheduling Coordinator j for Trading Interval t, weighted in proportion to the ISO's need for upward Regulation.

**C3.20C**          **RDN<sub>ijxt</sub> – MW**

The downward Regulation capacity of Regulation resource i in Zone x included in the Final Schedule for Ancillary Services of Scheduling Coordinator j for Trading Interval t, weighted in proportion to the ISO's need for downward Regulation.

**C 3.20D**          **CUP – number**

The constant established by the ISO and subject to change by resolution of the ISO Governing Board. Initially this shall be set at 1. The ISO may modify the value of CUP within a range of 0-1 either generally in regard to all hours or specifically in regard to particular

times of the day, after the ISO Governing Board approves such modifications, by a notice issued by the Chief Executive Officer of the ISO and posted on the ISO Internet "Home Page," at <http://www.caiso.com>, or such other Internet address as the ISO may publish from time to time, specifying the date and time from which the modification shall take effect, which shall be not less than seven (7) days after the Notice is issued.

**C 3.20E      CDN – number**

The constant established by the ISO and subject to change by resolution of the ISO Governing Board. Initially this shall be set at 1. The ISO may modify the value of CDN within a range of 0-1 either generally in regard to all hours or specifically in regard to particular times of the day, after the ISO Governing Board approves such modifications, by a notice issued by the Chief Executive Officer of the ISO and posted on the ISO Internet "Home Page," at <http://www.caiso.com>, or such other Internet address as the ISO may publish from time to time, specifying the date and time from which the modification shall take effect, which shall be not less than seven (7) days after the Notice is issued.

**C 3.21      PSpinDA<sub>xt</sub> -\$/MW**

In the case of Capacity made available in accordance with the ISO's Final Day-Ahead Schedules, the Day-Ahead Market Clearing Price for units exempt from FERC Ancillary Service rate caps or the bid price for those units subject to the cap for Spinning Reserve Capacity in Zone x for Trading Interval t. In the case of Capacity not included in the ISO's Final Day-Ahead Schedules but made available in accordance with amended Ancillary Services supplier schedules issued in accordance with Section 2.5.21, the bid price for the unit for Spinning Reserve Capacity in Zone x for Trading Interval t.

**C 3.22      SpinPayTotalDA<sub>jxt</sub> - \$**

The total payment to Scheduling Coordinator j for Spinning Reserve capacity in the Day-Ahead Market in Zone x for Trading Interval t.

**C 3.23      SpinPayHA<sub>ijxt</sub> - \$**

The payment for Scheduling Coordinator j for providing incremental (additional to Day-Ahead) Spinning Reserve capacity in the Hour-Ahead Market from a resource i in Zone x for Trading Interval t.

**C 3.23.1      SpinReceiveHA<sub>jxt</sub> - \$**

The payment from Scheduling Coordinator j for buying back from the ISO in the Hour-Ahead, Spinning Reserve capacity which the

ISO had purchased from Scheduling Coordinator j in the Day-Ahead Market from a resource i in Zone x for Trading Interval t.

**C 3.24 SpinQIHA<sub>ijxt</sub> – MW**

The total quantity of incremental (additional to Day-Ahead) Spinning Reserve capacity provided in the Hour-Ahead Market by resource i represented by Scheduling Coordinator j in Zone x for Trading Interval t.

**C 3.25 SpinQDHA<sub>ijxt</sub> – MW**

The total quantity of decremental (less than Day-Ahead) Spinning Reserve capacity provided in the ISO Hour-Ahead Market from resource i by Scheduling Coordinator j in Zone x for Trading Interval t.

**C 3.25.1 PSpinHA<sub>xt</sub> -\$/MW**

The Hour-Ahead Market Clearing Price for units exempt from FERC Ancillary Service rate caps or the bid price for those units subject to the cap for incremental (additional to Day-Ahead) Spinning Reserve capacity in Zone x for Trading Interval t. On Buyback condition, MCP applies charge for HA.

**C 3.26 SpinPayTotalHA<sub>jxt</sub> - \$**

The total payment to Scheduling Coordinator j for incremental (additional to Day-Ahead) Spinning Reserve capacity in the Hour-Ahead Market in Zone x for Trading Interval t, after deduction of payments from Scheduling Coordinator j for buying back from the ISO in the Hour-Ahead, Spinning Reserve capacity which the ISO had purchased from Scheduling Coordinator j in the Day-Ahead market in Zone x for Trading Interval t.

**C 3.27 SpinRateDA<sub>xt</sub> - \$/MW**

The Day-Ahead Spinning Reserve capacity user rate charged to Scheduling Coordinators by the ISO in Zone x for Trading Interval t.

**C 3.28 SpinObligTotal<sub>xt</sub> – MW**

The net total Spinning Reserve capacity obligation in Zone x for Trading Interval t as defined in the Ancillary Services Requirements Protocol. This net total equals the total obligation minus that self-provided.

**C 3.29 SpinChgDA<sub>jxt</sub> - \$**

The Spinning Reserve capacity charge for Scheduling Coordinator j in the Day-Ahead Market in Zone x for Trading Interval t.

**C 3.30 SpinOblig<sub>jxt</sub> – MW**

The net Spinning Reserve capacity obligation for Scheduling Coordinator  $j$  in Zone  $x$  for Trading Interval  $t$  as defined in the Ancillary Services Requirements Protocol. This net obligation equals the obligation minus that self-provided.

**C 3.31 SpinRateHA<sub>xt</sub> - \$/MW**

The Hour-Ahead incremental (additional to Day-Ahead) Spinning Reserve capacity user rate charged to Scheduling Coordinators by the ISO in Zone  $x$  for Trading Interval  $t$ .

**C 3.32 SpinChgHA<sub>jxt</sub> - \$**

The incremental (additional to Day-Ahead) Spinning Reserve capacity charge for Scheduling Coordinator  $j$  in the Hour-Ahead Market in Zone  $x$  for Trading Interval  $t$ .

**C 3.33 NonSpinPayDA<sub>ijxt</sub> - \$**

The payment for Scheduling Coordinator  $j$  for providing Non-Spinning Reserve capacity in the Day-Ahead Market from a resource  $i$  in Zone  $x$  for Trading Interval  $t$ .

**C 3.34 NonSpinQDA<sub>ijxt</sub> – MW**

The total quantity of Non-Spinning Reserve capacity provided from resource i in the Day-Ahead Market by Scheduling Coordinator j in Zone x for Trading Interval t.

**C 3.35 PNonSpinDA<sub>xt</sub> - \$/MW**

In the case of Capacity made available in accordance with the ISO's Final Day-Ahead Schedules, the Day-Ahead Market Clearing Price for units exempt from FERC Ancillary Service rate caps or the bid price for those units subject to the cap for Non-Spinning Reserve Capacity for Trading Interval t in Zone x. In the case of Capacity not included in the ISO's Final Day-Ahead Schedules but made available in accordance with amended Ancillary Services supplier schedules issued in accordance with Section 2.5.21, the bid price for the unit for Non-Spinning Reserve Capacity in Zone x for Trading Interval t.

**C 3.36 NonSpinPayTotalDA<sub>jxt</sub> - \$**

The total payment to Scheduling Coordinator j for providing Non-Spinning Reserve capacity in the Day-Ahead Market in Zone x for Trading Interval t.

**C 3.37 NonSpinPayHA<sub>ijxt</sub> - \$**

The payment for Scheduling Coordinator j for providing incremental (additional to Day-Ahead) Non-Spinning Reserve capacity in the Hour-Ahead Market from a resource i in Zone x for Trading Interval t.

**C 3.37.1 NonSpinReceiveHA<sub>ijxt</sub> - \$**

The payment from Scheduling Coordinator j for buying back from the ISO in the Hour-Ahead, Non-Spinning Reserve capacity which the ISO had purchased from Scheduling Coordinator j in the Day-Ahead Market from a resource i in Zone x for Trading Interval t.

**C 3.38 NonSpinQIHA<sub>ijxt</sub> – MW**

The total quantity of incremental (additional to Day-Ahead) Non-Spinning Reserve capacity provided from resource i in the Hour-Ahead Market by Scheduling Coordinator j in Zone x for Trading Interval t.

**C 3.39 NonSpinQDHA<sub>ijxt</sub> – MW**

The total quantity of decremental (less than Day-Ahead) Non-Spinning Reserve capacity provided in the ISO Hour-Ahead Market

from resource i by Scheduling Coordinator j in Zone x for Trading Interval t.

**C 3.39.1 PNonSpinHA<sub>xt</sub> - \$/MW**

The Hour-Ahead zonal Market Clearing Price for units exempt from FERC Ancillary Service rate caps or the bid price for those units

subject to the cap for incremental (additional to Day-Ahead) Non-Spinning Reserve capacity for Trading Interval t in Zone x. On Buyback condition, MCP applies.

**C 3.40 NonSpinPayTotalHA<sub>jxt</sub> - \$**

The total payment to Scheduling Coordinator j for providing incremental (additional to Day-Ahead) Non-Spinning Reserve capacity in the Hour-Ahead Market in Zone x for Trading Interval t, after deduction of payments from Scheduling Coordinator j for buying back from the ISO in the Hour-Ahead, Non-Spinning Reserve capacity which the ISO had purchased from Scheduling Coordinator j in the Day-Ahead market in Zone x for Trading Interval t.

**C 3.41 NonSpinRateDA<sub>xt</sub> - \$/MW**

The Day-Ahead Non-Spinning Reserve capacity user rate charged to Scheduling Coordinators by the ISO in Zone x for Trading Interval t.

**C 3.42 NonSpinObligTotal<sub>xt</sub> – MW**

The net total Non-Spinning Reserve capacity obligation in Zone x for Trading Interval t as defined in the Ancillary Services Requirements Protocol. This net total obligation equals the total minus that self-provided.

**C 3.43 NonSpinChgDA<sub>jxt</sub> - \$**

The Non-Spinning Reserve Capacity charge for Scheduling Coordinator j in the Day-Ahead Market in Zone x for Trading Interval t.

**C 3.44 NonSpinOblig<sub>jxt</sub> – MW**

The net Non-Spinning Reserve capacity obligation for Scheduling Coordinator j in Zone x for Trading Interval t as defined in the Ancillary Services Requirements Protocol. This net obligation is the obligation minus that self-provided.

**C 3.45 NonSpinRateHA<sub>xt</sub> - \$/MW**

The Hour-Ahead incremental (additional to Day-Ahead) Non-Spinning Reserve capacity user rate charged to Scheduling Coordinators by the ISO in Zone x for Trading Interval t.

**C 3.46 NonSpinChgHA<sub>jxt</sub> - \$**

The incremental (additional to Day-Ahead) Non-Spinning Reserve Capacity charge for Scheduling Coordinator j in the Hour-Ahead Market in Zone x for Trading Interval t.

**C 3.47 NonSpinObligHA<sub>jxt</sub> – MW**

The net incremental (additional to Day-Ahead) Non-Spinning Reserve capacity obligation in the Hour-Ahead Market for Scheduling Coordinator j in Zone x for Trading Interval t as defined in the Ancillary Services Requirements Protocol. This net obligation is the obligation minus that self-provided.

**C 3.48 RepIPayDA<sub>ijxt</sub> - \$**

The payment for Scheduling Coordinator j for providing Replacement Reserve capacity in the Day-Ahead Market from a resource i in Zone x for Trading Interval t.

**C 3.49 RepIQDA<sub>ijxt</sub> – MW**

The total quantity of Replacement Reserve capacity provided in the Day-Ahead Market from resource i by Scheduling Coordinator j in Zone x for Trading Interval t.

**C 3.50 PRepIDA<sub>xt</sub> -\$/MW**

In the case of Capacity made available in accordance with ISO's Final Day-Ahead Schedules, the Day-Ahead Market Clearing Price for units exempt from FERC Ancillary Service rate caps or the bid price for those units not subject to the cap for Replacement Reserve Capacity in Zone x for Trading Interval t. In the case of Capacity not included in the ISO's Final Day-Ahead Schedules but made available in accordance with amended Ancillary Services supplier schedules issued in accordance with Section 2.5.21, the bid price for the unit for Replacement Reserve Capacity in Zone x for Trading Interval t.

**C 3.51      RepIPayTotalIDA<sub>jxt</sub> - \$**

The total payment to Scheduling Coordinator j for providing Replacement Reserve capacity in the Day-Ahead Market in Zone x for Trading Interval t.

**C 3.51.1      RepIReceiveHA<sub>ijxt</sub> - \$**

The payment from Scheduling Coordinator j for buying back from the ISO in the Hour-Ahead, Replacement Reserve capacity which the ISO had purchased from Scheduling Coordinator j in the Day-Ahead Market from a resource i in the Zone x for Trading Interval t.

**C 3.52      RepIPayHA<sub>ijxt</sub> - \$**

The payment for Scheduling Coordinator j for providing of incremental (additional to Day-Ahead) Replacement Reserve capacity in the Hour-Ahead Market from a resource i in Zone x for Trading Interval t.

**C 3.53      RepIQIHA<sub>ijxt</sub> – MW**

The total quantity of incremental (additional to Day-Ahead) Replacement Reserve capacity provided in the Hour-Ahead Market from resource i by Scheduling Coordinator j in Zone x for Trading Interval t.

**C 3.54      RepIQDHA<sub>ijxt</sub> – MW**

The total quantity of decremental (less than Day-Ahead) Replacement Reserve capacity provided in the ISO Hour-Ahead Market from resource i by Scheduling Coordinator j in Zone x for Trading Interval t.

**C 3.54.1      PReplHA<sub>xt</sub> -\$/MW**

The Hour-Ahead Market Clearing Price for Non-FERC jurisdictional units or the bid price for FERC jurisdictional units for incremental (additional to Day-Ahead) Replacement Reserve capacity in Zone x for Trading Interval t. On Buyback condition, MCP applies.

**C 3.55      RepIPayTotalHA<sub>jxt</sub> - \$**

The total payment to Scheduling Coordinator j for providing of incremental (additional to Day-Ahead) Replacement Reserve capacity in the Hour-Ahead Market in Zone x for Trading Interval t, after deduction of payments from Scheduling Coordinator j for buying back from the ISO in the Hour-Ahead, Replacement Reserve capacity which the ISO had purchased from Scheduling Coordinator j in the Day-Ahead Market in Zone x from Trading Interval t.

- C 3.56      ReplRateDA<sub>xt</sub> - \$/MW**  
The Day-Ahead Replacement Reserve capacity user rate charged to Scheduling Coordinators by the ISO in Zone x for Trading Interval t.
- C 3.57      ReplChgDA<sub>jxt</sub> - \$**  
The Replacement Reserve capacity charge for Scheduling Coordinator j in the Day-Ahead Market in Zone x for Trading Interval t.
- C 3.58      ReplRateHA<sub>xt</sub> - \$/MW**  
The Hour-Ahead incremental (additional to Day-Ahead) Spinning Reserve capacity user rate charged to Scheduling Coordinators by the ISO in Zone x for Trading Interval t.
- C 3.59      ReplChgHA<sub>jxt</sub> - \$**  
The incremental (additional to Day-Ahead) Replacement Reserve capacity charge for Scheduling Coordinator j in the Hour-Ahead Market in zone x for Trading Interval t.
- C 3.60      ReplObligTotal<sub>xt</sub> - MW**  
The net total Replacement Reserve capacity obligation in the Day-Ahead and Hour-Ahead Markets in Zone x for Trading Interval t as defined in the Ancillary Services Requirements Protocol. This net total obligation is the total obligation minus that self-provided.
- C 3.61      ReplPayTotal<sub>jxt</sub> - \$**  
The total payment to Scheduling Coordinator j for providing Replacement Reserve capacity in the Day-Ahead and Hour-Ahead Markets in zone x for Trading Interval t.
- C 3.62      PavgRepl<sub>xt</sub> - \$/MW**  
The average price paid for Replacement Reserve capacity in the Day-Ahead Market and the Hour-Ahead Market in Zone x in Trading Interval t.
- C 3.63      UnDispReplChg<sub>jxt</sub> - \$**  
The undispached Replacement Reserve Capacity charge for Scheduling Coordinator j in the Day-Ahead and Hour-Ahead Markets in Zone x for Trading Interval t.

**C 3.64      RepIOblig<sub>jxt</sub> – MW**

The Replacement Reserve capacity obligation in the Day-Ahead and Hour-Ahead Markets for Scheduling Coordinator *j* in Zone *x* for Trading Interval *t* as defined in the Ancillary Services Requirements Protocol.

**C 3.65      ReplQDisp<sub>xt</sub> – MWh**

The Dispatched Replacement Reserve capacity in the Day-Ahead Market in Zone *x* in Trading Interval *t*.

**C 3.66      AGCUpPurchDA<sub>xt</sub> – MW**

The total quantity of Regulation Up capacity provided in the Day-Ahead Market in Zone *x* for Trading Interval *t*, not including self-provided quantities.

**AGCDownPurchDA<sub>xt</sub> – MW**

The total quantity of Regulation Down capacity provided in the Day-Ahead Market in Zone *x* for Trading Interval *t*, not including self-provided quantities.

**C 3.67      SpinPurchDA<sub>xt</sub> – MW**

The total quantity of Spinning Reserve capacity provided in the Day-Ahead Market in Zone *x* for Trading Interval *t*, not including self-provided quantities.

**C 3.68      NonSpinPurchDA<sub>xt</sub> – MW**

The total quantity of Non-Spinning Reserve capacity provided in the Day-Ahead Market in Zone *x* for Trading Interval *t*, not including self-provided quantities.

**C 3.69      AGCUpPurchHA<sub>xt</sub> – MW**

The net quantity of Regulation Up capacity provided in the Hour-Ahead Market in Zone *x* for Trading Interval *t*, not including self-provided quantities.

**AGCDownPurchHA<sub>xt</sub> – MW**

The net quantity of Regulation Down capacity provided in the Hour-Ahead Market in Zone *x* for Trading Interval *t*, not including self-provided quantities.

**C 3.70      SpinPurchHA<sub>xt</sub> – MW**

The net quantity of Spinning Reserve capacity provided in the Hour-Ahead Market in Zone x for Trading Interval t, not including self-provided quantities.

**C 3.71      NonSpinPurchDA<sub>xt</sub> – MW**

The net quantity of Non-Spinning Reserve capacity provided in the Hour-Ahead Market in Zone x for Trading Interval t, not including self-provided quantities.

