

2.5.23.3.1.2 Limitation During Non-System Emergency Periods

Notwithstanding any other provision of the ISO Tariff, during hours in which the ISO has not declared a System Emergency, the BEEP Interval Ex Post Price, if greater than zero, shall not exceed the “Non-Emergency Clearing Price Limit” as defined in this Section 2.5.23.3.1.2, or, if less than zero, shall not be less than zero minus the Non-Emergency Clearing Price Limit. The “Non-Emergency Clearing Price Limit” shall equal 85% of the highest hourly Zonal Marginal Proxy Clearing Price calculated in accordance with Section 2.5.23.3.1.1 from among those Settlement Periods during the last Stage 1 System Emergency for which the Stage 1 System Emergency (but not a Stage 2 or Stage 3 System Emergency) existed for the entire Settlement Period. If any Scheduling Coordinator submits a bid from a resource eligible to set the Market Clearing Price in accordance with Section 2.5.23.3.8 for the supply of Imbalance Energy during an hour in which the ISO has not declared a System Emergency that: (i) exceeds the Non-Emergency Clearing Price Limit; and (ii) is dispatched by the ISO to provide Imbalance Energy, then the Market Clearing Price for the applicable BEEP Interval (the “Non-Emergency Clearing Price”) shall be equal to the Non-Emergency Clearing Price Limit. If the marginal bid accepted by the ISO for the supply of Imbalance Energy during an hour in which the ISO has not declared a System Emergency is less than the Non-Emergency Clearing Price Limit, then the marginal bid accepted by the ISO shall, subject to Section 2.5.23.3.8, establish the Non-Emergency Clearing Price.

All bids for the supply of Imbalance Energy during non-System Emergency periods submitted by Scheduling Coordinators for resources that do not meet the requirements set forth in Section 2.5.23.3.8 to be eligible to set the Market Clearing Price shall be bids deemed by the ISO to be paid the Non-Emergency Clearing Price. Scheduling Coordinators for Generating Units, System Units, and System Resources that submit bids above the Non-Emergency Clearing Price for the supply of Imbalance Energy during BEEP Intervals in which the ISO has not declared a System Emergency shall, subject to Section 2.5.23.3.8, be paid in accordance with their bids if accepted for Dispatch by the ISO. Such bids shall be subject to cost justification requirements and potential refunds, as set forth in Section 2.5.23.3.5.