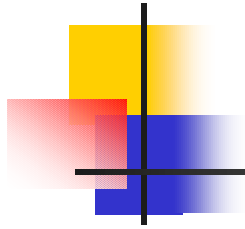




Priceline Modified Proposal

Stephen Fernands



Features

- No additional uplift;
- Brings down overall DA and RT Prices
- Open to all CSPs defined in Emergency Program
- Holds Base Load LSE Harmless
- Bids do not set price as they are responding to Real Time prices



No Uplift

- End Use Customer's revenue based on RT performance minus LSE rate.
- Curtailed energy is added back to Base Load LSEs actual customer usage file (referred to by ISO as the TOL file)
- Revenue for payments comes from increase in Base Load LSE's increased load – those costs may be passed through to generation suppliers depending on contracts.



Product Limitations

- No minimum run times or make whole payments
- Prices for response are submitted to the ISO by the CSP and reduces demand in the calculation of LBMP.



LSE Held Harmless

- Base Load LSE gets as much revenue as they would have under their agreement with the customer (rate entered on customers enrollment form.)
- End Use Customers revenue for response to price is decreased by Base Load LSE's charges



Example

- Price \$500 in hour 1
- Retail Price \$50
- End Use Customer curtails 1 MW for 1 Hour
- Base Load LSE's TOL file increased by 1 MW for hour 1
- Base Load LSE is credited for \$50 for that hour
- Base Load LSE (if unhedged) pays \$500 for 1MW
- CSP is credited for \$450
- CSP shares revenue with End Use Customer