

ICAP Treatment Scenarios for External Transactions

Bid Scenarios

Scenario	ISO-NE	NYISO	PJM
Day-Ahead Market. Is the ICAP resource required to bid?	Yes, ICAP resources are selected based on economic evaluation of bids.	All NYISO ICAP resources must provide a bid into to the Day-Ahead Market (DAM) unless on an approved Outage. Bids are selected based on economic evaluation.	All ICAP resources must provide a bid which include a bid status. Bids are selected based on the status of the bid and physical operating constraints. Status selection is based on the economic evaluation or Max Emergency evaluation . A resource not selected in the day ahead can re-bid by 6 p.m. the day before. All bids remain valid until the operating constraints make them unavailable.
Day-at-Hand Market How are bids evaluated day-at-hand during a Capacity Shortfall or a Max Emergency?	Day-Ahead bids remain valid and ICAP resources are selected based on the bid and physical operating parameters and notification requirements (i.e., start up & notification requirements)	External resources must respond to a supplemental resource evaluation with a new bid in the Hour Ahead Market (or reinstatement of previous day bid). Selection is based on the bid and operating parameters. (i.e., start up & notification requirements)	Day ahead bids remain valid and ICAP resources are selected based on the bid and operating Parameters (i.e., start up & notification requirements)
Day-at-Hand External ICAP resource has self -scheduled and is in service when a Capacity Shortfall or a Max Emergency occurs?	Current rules would require that all bid parameters be honored.	If the unit has self-scheduled and it has been determined that the resource is in service, they have effectively waived any notification / start up requirements. The transaction will be scheduled at the first opportunity.	If the unit has self-scheduled and it has been determined that the resource is in service, they have effectively waived any notification / start up requirements. The transaction will be scheduled at the first opportunity.

Capacity Scenarios

Assumptions

1) The Base Operating Jurisdiction (i.e., ISO-NE) is experiencing a Capacity Shortfall / Max Emergency state.

Base Operating Jurisdiction	ISO-NE			NYISO			PJM		
	In Hour Deficiency	Future Hour Deficiency	Comments	In Hour Deficiency	Future Hour Deficiency	Comments	In Hour Deficiency	Future Hour Deficiency	Comments
<p>Unit residing in the Base Operating Jurisdiction, sold as an ICAP resource to an immediately adjacent Operating Jurisdiction.</p> <p>The adjacent Operating Jurisdiction has exercised its ICAP Rights to the unit.</p>	ISO-NE would not curtail transaction but would actually purchase Emergency Energy from wherever it could be sourced	Same	Since the unit is considered a Resource of the adjacent Operating Jurisdiction, ISO-NE would buy Emergency Energy from wherever it could be sourced and continue the ICAP transaction.	NYISO would not curtail transaction but would purchase Emergency Energy from another Operating Jurisdiction at the applicable clearing price or contracted price for emergency power (i.e., keep ICAP sink Operating Jurisdiction financially indifferent)	NYISO would not curtail transaction (See In Hour Deficiency). NYISO would request new bids in an attempt to restore reserves and terminate Emergency Purchases.	Since the unit is considered a Resource of the Adjacent operating Jurisdiction, NY would buy Emergency Energy from wherever it could be sourced and continue the ICAP transaction.	PJM would not curtail transaction but would purchase Emergency Energy from wherever we could be sourced.	Same	Since the unit is considered a Resource of the adjacent Operating Jurisdiction, PJM would buy Emergency Energy from where ever it could be sourced and continue the ICAP transaction.
<p>Unit residing in the Base Operating Jurisdiction, sold as an ICAP resource to an immediately adjacent Operating Jurisdiction.</p> <p>The adjacent Operating Jurisdiction has not exercised its ICAP Rights to the unit.</p> <p>Unit output is being exported to a third Operating Jurisdiction. The third Operating Jurisdiction is not deficient and would not cut load if the export were curtailed.</p>	The current rules are not definitive in this situation. We would likely not curtail the transaction.	Same.		NYISO would allow the transaction to flow.	NYISO would allow the transaction to flow.	NYISO considers the unit delisted and has no right to the unit output.	PJM would allow the transaction to flow.	PJM would allow the transaction to flow.	PJM considers the unit delisted and has no right to the unit output.

Base Operating Jurisdiction	ISO-NE			NYISO			PJM		
	In Hour De ficiency	Future Hour Deficiency	Comments	In Hour Deficiency	Future Hour Deficiency	Comments	In Hour Deficiency	Future Hour Deficiency	Comments
<p>Unit residing in the Base Operating Jurisdiction has not been committed to any ICAP market.</p> <p>The Base Jurisdiction is exporting to an adjacent Operating Jurisdiction. Would the Base Operating Jurisdiction curtail the transaction with no deficiency in the adjacent Operating Jurisdiction?</p>	The current ISO-NE rules would allow us to curtail in this situation. Rule changes are being considered that would require ISO-NE to maintain delivery	Same.		NYISO would allow the transaction to flow.	NYISO would allow the transaction to flow.	NYISO considers the unit delisted and has no right to the unit output where the resource output has been assigned to a specific transaction.	PJM would allow the transaction to flow.	PJM would allow the transaction to flow.	PJM considers the unit delisted and has no right to the unit output where the resource output has been assigned to a specific transaction.
<p>Unit residing in the Base Operating Jurisdiction has not been committed to any ICAP market.</p> <p>The Base Jurisdiction is exporting to an adjacent Operating Jurisdiction. Would the base Operating curtail with a deficiency in the adjacent Operating Jurisdiction?</p>	Same as above.			Same as above.			Same as above		