

# **SRE Process Enhancements**

## **Tariff Overview**

**Prepared for the  
Market Issues Working Group**

**April 7, 2008**

# *Background*

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- ◆ Purpose

- *Clarify Tariff language to ensure generators remain eligible to receive a RT BPCG when committed via SRE*
  - See December 14, 2007 MIWG Presentation
- *Revise rules to ensure Start-Up Bids are appropriately settled*

## *Current Tariff Provisions*

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- ◆ Section 4.10 of Services Tariff states that if a unit bids Self-Committed Fixed in any hour it is not eligible to receive a BPCG for that day.
- ◆ Section 4.1.7 of the Services Tariff states “Generating units committed by the ISO for service to ensure local reliability will recover startup and minimum generation costs not recovered in the Dispatch Day.”

## *BPCG Eligibility*

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- ♦ *Real-time BPCG is calculated over the 24 hour day*
  - Selected intervals may be excluded from the calculation if the generator is not eligible to receive a BPCG in that interval
- ♦ *All intervals of hours of a generator's SRE schedule will be included in the RT BPCG calculation*
  - All intervals in an hour that qualifies as a start up / shut down hour will be excluded from the RT BPCG calculation (see TB 146)
- ♦ *Self-committed Fixed Bids submitted for start-up / shut-down or testing periods will not preclude Real-Time BPCG for otherwise eligible intervals*
  - Not limited to SRE scheduled hours
- ♦ *All intervals that are classified as Supplemental Event intervals will be excluded from the RT BPCG calculation*
  - A generator may be eligible for a Supplemental Event Credit during these intervals
- ♦ *Guarantee payment mitigation will be tested using the intervals during which a generator is eligible to receive a RT BPCG*

## Tariff Overview – Start Up Bids

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- ◆ *Each SRE commitment period is evaluated independently*
  - A set of contiguous SRE committed hours is considered an SRE commitment period
- ◆ *If any hour of the SRE commitment period hours precedes or follows an hour in which the generator had a Day-Ahead commitment, then the Start-Up Bid will be set to \$0 for that SRE commitment period*
- ◆ *At the time when operations performs the SRE commitment the unit's downtime will be calculated. This downtime will be applied to the generator's Start-Up Bid*
  - The downtime calculation will assume that generators operate to satisfy all day ahead commitments
  - SRE Start-Up Bids may be Real-Time LBMP mitigated

## *Start Up Bids, Cont.*

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- ◆ *If, after-the-fact, there is a set of contiguous real-time commitment hours consisting of SRE and Non-SRE hours, the SRE Start-Up Bid will be used in the RT BPCG calculation and tested for possible mitigation.*
- ◆ *If a unit fails to operate for any SRE committed hours then the Start-Up Bid will be prorated*
  - If an SRE hour is de-committed by the NYISO the unit will be considered to have met its SRE commitment for purposes of this calculation
  - If the unit operates for any portion of the SRE committed hour, the unit is considered to have met the SRE commitment for that hour
  - $\text{Prorated Start-Up Bid} = \text{Start-Up Bid} * (\text{hours run} / \text{hours SRE scheduled})$