
BPCGs for Reserve and Maximum Generation Pickups in SMD Proposed Tariff Modifications

Business Issues Committee

July 21, 2004

BPCG following a Large Event RPU and Max Gen Pickup

➤ Today's Practice

- Does not penalize a unit for over-generation for three SCD intervals following a RPU. This is to encourage response to a RPU and also provide an appropriate amount of time for a unit to get back on economics following the termination of the RPU.

➤ RTS

- Intention was to continue this practice under RTS, however the normal BPCG would often not apply in the intervals following a RPU since the unit may be ramp constrained down.
- Propose to amend the necessary tariff sections to include the 3 intervals immediately following the termination of a reserve pickup or maximum generation pickup, as part of the separate BPCG calculation under SMD2 for these time periods.

Affected Tariff Sheets

➤ Article 4

- Section 4.10 - *Production Cost Guarantee and Curtailment Initiation Cost Payments*

- ▶ Sheet No. 106.01 - *Add text to include intervals following RPU & Max Gen Events*

➤ Rate Schedule 4

- Section 6.3. - *Other Real-Time Payments*

- ▶ Sheet No. 302 - *Add text to include intervals following RPU & Max Gen Events*