

## **4.6 Payments**

### **4.6.1 Payments to Suppliers of Regulation Service**

Suppliers of Regulation Service shall receive a payment that is calculated pursuant to Rate Schedule 15.3 of this ISO Services Tariff

### **4.6.2 Payments to Suppliers of Reactive Supply and Voltage Support Service (“Voltage Support Service”)**

Suppliers of Voltage Support Service shall receive a Voltage Support Service payment in accordance with the criteria and formula in Rate Schedule 15.2.

### **4.6.3 Payments to Suppliers for Operating Reserves**

Suppliers of each type of Operating Reserve will receive payments for each MW of Operating Reserve that they provide, as requested by the ISO, pursuant to Rate Schedule 15.4.

Additionally, Generators providing Operating Reserves shall receive a payment for Energy when the ISO requests Energy under a reserve activation. The Energy payment shall be calculated as the product of: (a) the Energy provided; and (b) the Real-Time Market LBMP.

### **4.6.4 Payments to Generators for Black Start Capability**

Black Start Capability providers shall receive a payment for Black Start Capability as set forth in Rate Schedule 15.5.

### **4.6.5 Day-Ahead Margin Assurance Payments**

A Supplier that is scheduled in the Day-Ahead Market to provide Energy, Regulation Service, or Operating Reserves may be eligible to receive a Day-Ahead Margin Assurance Payment pursuant to Attachment J of this ISO Services Tariff.

#### **4.6.6 Bid Production Cost Guarantee Payments**

##### **4.6.6.1 Day-Ahead BPCG for Generators**

The ISO shall determine if a Supplier eligible under Section 18.2.1 of Attachment C of this ISO Services Tariff for a Day-Ahead Bid Production Cost guarantee payment will not recover its Day-Ahead Regulation Capacity Bid, Operating Reserves Bid, or its Minimum Generation Bid, Start-Up Bid, and Incremental Energy Bid to produce Energy in the Day-Ahead Market, including Energy provided by the capacity scheduled for Regulation Service, through Day-Ahead LBMP revenue, Day-Ahead Imputed LBMP Revenue and net Day-Ahead Ancillary Services revenues for Voltage Support Service, Regulation Service, and synchronized Operating Reserves. Such determination shall be made for an entire Day-Ahead Market day, and such determination shall be made separately for each Generator. On the basis of such determination (and subject to any mitigation that may apply) the ISO shall pay a Day-Ahead BPCG to the Supplier pursuant to Section 18.2 of Attachment C to this ISO Services Tariff.

##### **4.6.6.2 Day-Ahead BPCG for Imports**

The ISO shall determine if a Supplier supplying an Import and eligible under Section 18.3.1 of Attachment C of this ISO Services Tariff for a Day-Ahead Bid Production Cost guarantee payment will not recover its Day-Ahead Decremental Bid through Day-Ahead LBMP revenue and Day-Ahead Imputed LBMP Revenue. Such determination shall be made for an entire Day-Ahead Market day and such determination shall be made separately for each Import transaction. On the basis of such determination, the ISO shall pay a Day-Ahead Bid Production Cost guarantee payment to the Supplier pursuant to Section 18.3 of Attachment C of this ISO Services Tariff.

#### **4.6.6.3 Real-Time BPCG for Generators in RTD Intervals Other than Supplemental Event Intervals**

The ISO shall determine if a Supplier eligible under Section 18.4.1 of Attachment C of this ISO Services Tariff for a real-time Bid Production Cost guarantee payment will not recover its real-time Regulation Capacity Bid, Regulation Movement Bid, Operating Reserves Bid, or its Minimum Generation Bid, Start-Up Bid, and Incremental Energy Bid to produce Energy that was not scheduled in the Day-Ahead Market, including Energy provided by the capacity scheduled for Regulation Service, through real-time LBMP revenue, real-time Imputed LBMP Revenue and net real-time Ancillary Services revenues for Voltage Support Service, Regulation Service, and synchronized Operating Reserves. Such determination shall be made for an entire Dispatch Day (except for Supplemental Event Intervals). Such determination shall be made separately for each Generator. On the basis of such determination, and subject to any mitigation that may apply, the ISO shall pay a real-time Bid Production Cost guarantee payment to the Supplier pursuant to Section 18.4 of Attachment C to this ISO Services Tariff and, as applicable, Section 15.3.

Suppliers bidding on behalf of Resources that were not committed by the ISO to operate in a given Dispatch Day, but which continue to operate due to minimum run time Constraints, shall not receive such a supplemental payment.

#### **4.6.6.4 BPCG for Generators for Supplemental Event Intervals**

The ISO shall determine if a Supplier eligible under Section 18.5.1 of Attachment C of this ISO Services Tariff for a Bid Production Cost guarantee payment for a Supplemental Event Interval will not recover its real-time Regulation Capacity Bid, Regulation Movement Bid, Operating Reserves Bid, or its Minimum Generation Bid and Incremental Energy Bid to produce Energy that was not scheduled Day-Ahead, including Energy provided by the capacity scheduled

for Regulation Service, through real-time LBMP revenue, real-time Imputed LBMP Revenue and net real-time Ancillary Services revenues for Voltage Support Service, Regulation Service, and Operating Reserves in that interval. Such determination shall be made separately for each Supplemental Event Interval, and such determination shall be made separately for each Generator. On the basis of such determination, the ISO shall pay a Bid Production Cost guarantee payment to the Supplier for a Supplemental Event Interval pursuant to Section 18.5 of Attachment C of this ISO Services Tariff.

#### **4.6.6.5 Real-Time BPCG for Imports**

The ISO shall determine if a Supplier supplying an Import and eligible under Section 18.6.1 of Attachment C of this ISO Services Tariff for a real-time Bid Production Cost guarantee payment will not recover its real-time Decremental Bid through real-time LBMP revenue and real-time Imputed LBMP Revenue. Such determination shall be made for an entire Dispatch Day. Such determination shall be made separately for each Import transaction. On the basis of such determination, the ISO shall pay a real-time Bid Production Cost guarantee payment to the Supplier pursuant to Section 18.6 of Attachment C of this ISO Services Tariff.

#### **4.6.6.6 BPCG for Long Start-Up Time Generators Whose Starts Are Aborted by the ISO Prior to their Dispatch**

The ISO shall pay a Supplier eligible under Section 18.7.1 of Attachment C of this ISO Services Tariff for a Bid Production Cost guarantee payment for a long start-up time Generator (i.e., a Generator that cannot be scheduled by SCUC to start up in time for the next Dispatch Day) whose start is aborted by the ISO prior to its dispatch for that portion of its Start-Up Bid that corresponds to that portion of its start-up sequence that it completed prior to being aborted. Such determination shall be made for an entire Dispatch Day, and such determination shall be

made separately for each long start-up time Generator. On the basis of such determination, the ISO shall pay a Bid Production Cost guarantee payment to the Supplier pursuant to Section 18.7 of Attachment C of this ISO Services Tariff.

#### **4.6.6.7 BPCG for Demand Reduction in the Day-Ahead Market**

The ISO shall determine if a Demand Reduction Provider eligible under Section 18.8.1 of Attachment C of this ISO Services Tariff for a Bid Production Cost guarantee payment for Demand Reduction in the Day-Ahead Market will not recover its Day-Ahead Curtailment Initiation Cost and its Day-Ahead Demand Reduction Bid through Day-Ahead LBMP revenues. Such determination shall be made for an entire Day-Ahead Market day, and such determination shall be made separately for each Demand Side Resource. On the basis of such determination, the ISO shall pay a Bid Production Cost guarantee payment to the Demand Reduction Provider pursuant to Section 18.8 of Attachment C of this ISO Services Tariff.

#### **4.6.6.8 BPCG for Special Case Resources**

The ISO shall determine if a Supplier eligible under Section 18.9.1 of Attachment C of this ISO Services Tariff for a Bid Production Cost guarantee payment for a Special Case Resource will not recover its Minimum Payment Nomination through real-time LBMP revenues. Such determination shall be made for an entire Dispatch Day, and such determination shall be made separately for each Special Case Resource. On the basis of such determination, the ISO shall make a Bid Production Cost guarantee payment to the Supplier pursuant to Section 18.9 of Attachment C of this ISO Services Tariff.

#### **4.6.6.9 Day-Ahead BPCG for Demand Side Resources Scheduled to Provide Synchronized Operating Reserves and/ or Regulation Service**

The ISO shall determine if a Supplier that bids Demand Side Resources committed by the ISO to provide synchronized Operating Reserves and/or Regulation Service in the Day-Ahead Market will not recover its Day-Ahead synchronized Operating Reserves Bid to provide the amount of synchronized Operating Reserves that it was scheduled to provide, and/or its Day-Ahead Regulation Capacity Bid to provide the amount of Regulation Capacity that it was scheduled to provide. Such supplier shall be eligible under Section 18.10.1 of Attachment C to this ISO Services Tariff for a Day-Ahead Bid Production Cost guarantee payment. Such determination shall be made for an entire Day-Ahead Market day, and such determination shall be made separately for each Demand Side Resource. On the basis of such determination, the ISO shall make a Bid Production Cost guarantee payment to the Customer pursuant to Section 18.10 of Attachment C of this ISO Services Tariff.

#### **4.6.6.10 Real-Time BPCG for Demand Side Resources Scheduled to Provide Synchronized Operating Reserves and/ or Regulation Service**

The ISO shall determine if a Supplier that bids Demand Side Resources committed by the ISO to provide synchronized Operating Reserves and/or Regulation Service will not recover its real-time synchronized Operating Reserves Bid to provide the amount of synchronized Operating Reserves that it was scheduled to provide, and/or its real-time Regulation Capacity and Regulation Bids to provide Regulation Service. Such Supplier shall be eligible under Section 18.11.1 of Attachment C to this ISO Services Tariff for a real-time Bid Production Cost guarantee payment. Such determination shall be made for an entire Dispatch Day, and such determination shall be made separately for each Demand Side Resource. On the basis of such

determination, the ISO shall make a Bid Production Cost guarantee payment to the Customer pursuant to Section 18.11 of Attachment C of this ISO Services Tariff.