

# Design Element Fundamentals Session 3

Phase 2 – Session 1  
Single Schedule Market Stream

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July 27, 2017

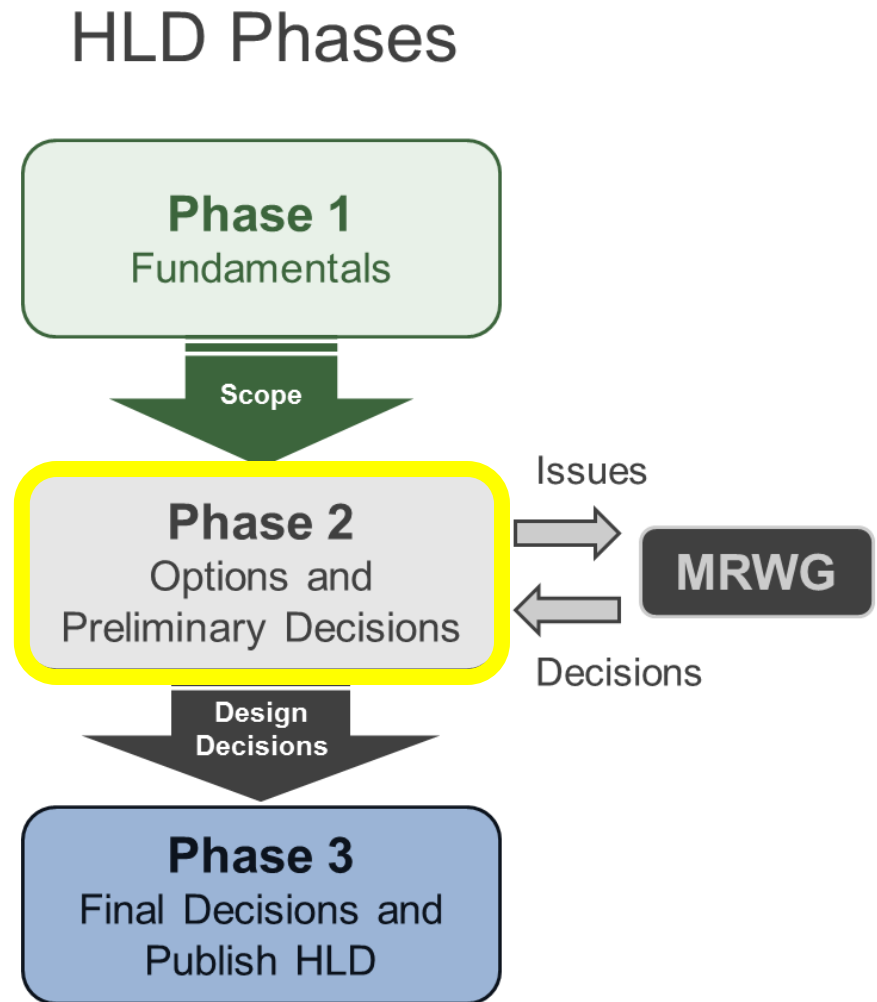
# Today's Agenda

1. Update of the Work Plan for Single Schedule Market Stakeholdering
2. FTI on Single Schedule Pricing Issues (Fundamentals)
  - a) Make Whole Payments and Uplift
3. FTI on Options related to Single Schedule Market Pricing Issues
  - a) Price Formation - LMP
  - b) Price Formation - Other

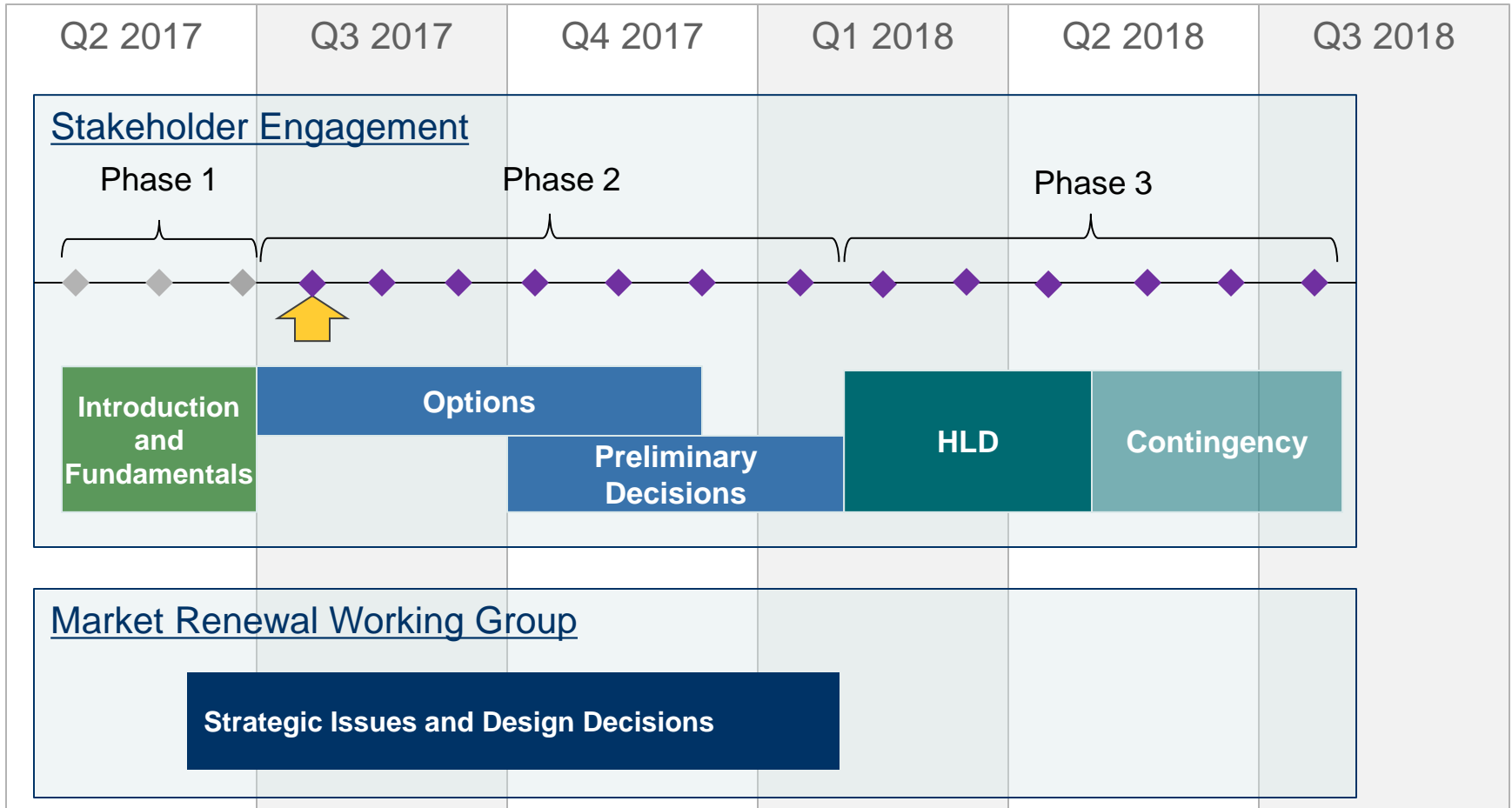
# WORK PLAN FOR SINGLE SCHEDULE MARKET STAKEHOLDERING

# Phases of High Level Design - Reminder

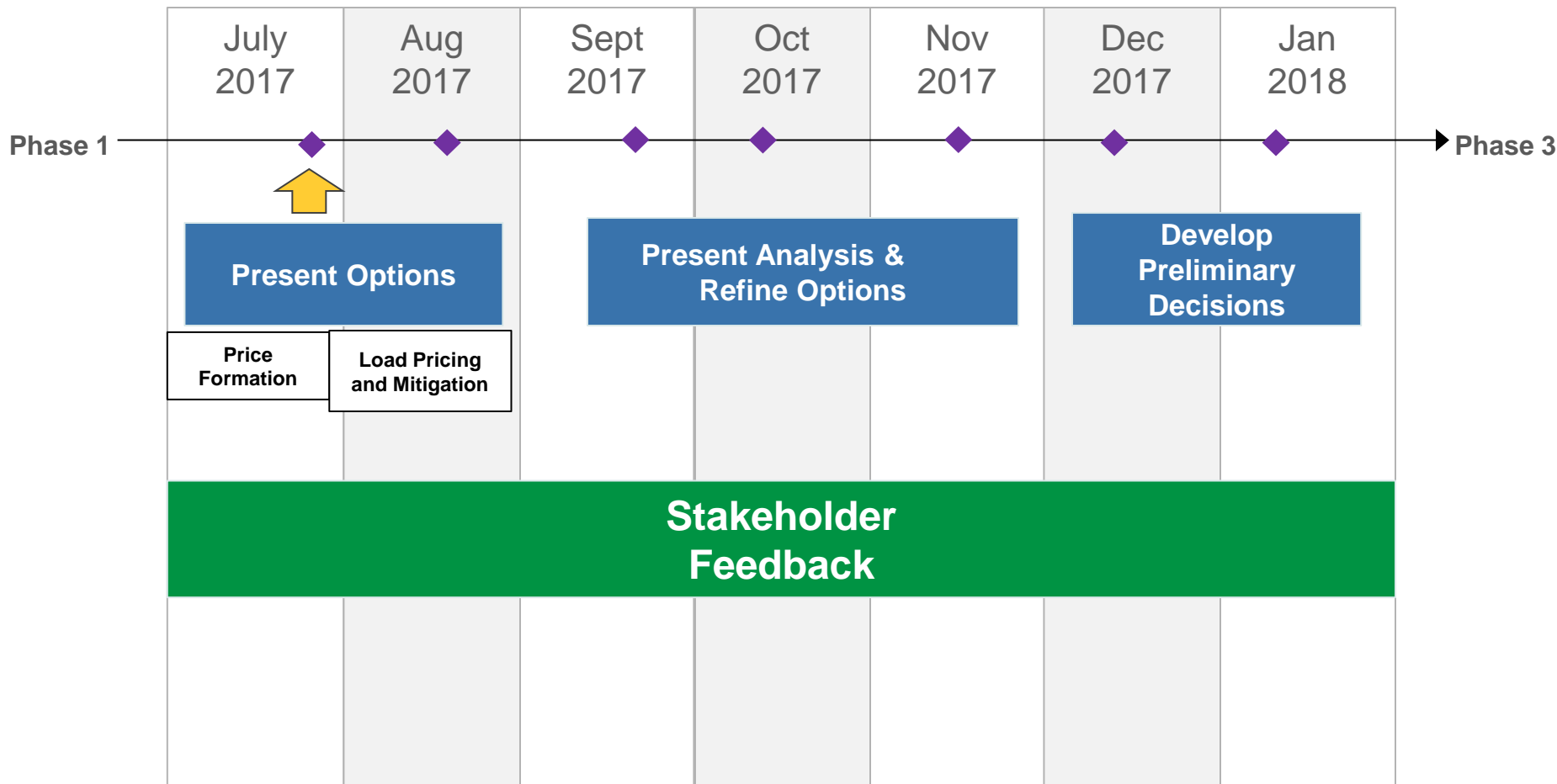
- SE Meetings will be the primary vehicle for design discussions
- In Phase 1 we will identify design elements, provide education, and define scope
- **In Phase 2 we will explore options for the design elements, provide analysis, as appropriate and develop preliminary decisions**
- In Phase 3 we will finalize decisions for all design elements and complete the HLD document
- Throughout this process we are looking for stakeholders to actively and collaboratively work with us on the design



# SSM Timeline



# Stakeholder Engagement Phase 2: Options



# SSM Design Elements: Options Session #1

Today

Price Formation	
1	Energy Price - Congestion Component
2	Energy Reference Price
3	Energy Price - Loss Component
4	Ex Post vs. Ex Ante Pricing
5	Intertie Congestion Pricing
6	Supplier Pricing
7	Operating Reserve Reference Price
8	Operating Reserve Price - Congestion Component
9	Constraint Violations
10	Out-of-market Operator Actions
11	Multiple Interval Optimization
12	Price Setting Eligibility

# SSM Design Elements: Options Session #2

Thursday, August 17

Market Power Mitigation	
13	Mitigation Process
14	Timing of Application
15	Reference Levels
Load Pricing	
16	Pricing for Loads
17	Financial Transmission Rights
Settlement	
18	Make Whole Payments
19	Uplift Recovery



# Feedback

- Prioritize design elements requiring further analysis or research
- Identify specific analysis/data that may be helpful in evaluating specific options
- Where tentative design decisions can be made; identify where focus can shift to further developing specific options/sub-options