Response to Stakeholder Comments on Revised Draft Tariff Language

FERC Order 831 – Import Bidding and Market Parameters

Tariff Section	Stakeholder	Stakeholder Comment	CAISO Response
N/A	Southern California Edison	SCE does not support the application of the threshold only in the RTM. The CAISO proposes to only apply infeasibility threshold pricing in the RTM and not the DAM3. This creates an inconsistency between the DAM and RTM which further exacerbates the numerous existing inconsistencies between these two markets. This concern could be addressed through implementing an infeasibility threshold in the DA. This threshold could take the form of no $2000/MWh price trigger until the infeasibility is greater than the minimum (DA forecast error, NERC reliability standard). Such an approach would provide a more accurate representation of grid conditions than subjecting the DAM to a different standard.	The proposed tariff is consistent with the draft final proposal and the proposal approved by the Board of Governors. This stakeholder process is focused on validating the tariff is consistent with the proposed policy changes.
N/A	Southern California Edison	CAISO should consider addressing issues raised in the DMM's comments While SCE is still reviewing the comments submitted by the Department of Market Monitoring (DMM), there appear several issues likely not addressed during the development of the CAISO Final Proposal: • Issues of using a bilateral price to calculate Maximum Import Bid Price when the bilateral price may not represent the outcome of a liquid market5, • Issues of priority in serving CAISO load when there are self-scheduling exports as	The proposed tariff is consistent with the draft final proposal and the proposal approved by the Board of Governors. This stakeholder process is focused on validating the tariff is consistent with the proposed policy changes. The CAISO will continue to evaluate the liquidity of the price indices it uses over time and will propose additional changes if necessary should the indices become unreliable. The CAISO is conducting separate workshops to discuss the self-scheduling

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		handled by the market software, and • Issues of potential implications to the CAISO Resource Adequacy program. While SCE is still reviewing these issues, SCE recommends that the CAISO should evaluate/validate these issues and address them as appropriate.	priorities in the Integrated Forward Market and the Real-Time Market. The CAISO is continuing to conduct a stakeholder process to address resource adequacy enhancements.
Appendix A – Definitions	Vistra Corp.	Vistra believes the Revised Draft Tariff Language would be more easily understood if the CAISO adds a definition for Non-Resource Specific System Resources and maintains consistency throughout the draft to use the defined term when referring to non-resource specific imports. In our review of the Revised Draft Tariff Language we noticed uses of both “Non-Resource Specific Resources” and “Non-Resource Specific System Resources”, which led to initial confusion. Our understanding of CAISO’s intent when using either of the terms is to refer to non-resource specific imports. Vistra respectfully suggests consistently using a defined term and further suggests the CAISO adopt the “Non-Resource Specific System Resource” usage as it best pairs with the existing defined term “Resource-Specific System Resource”. We believe these changes will help stakeholders better understand the terms as used in the Revised Draft Tariff Language. Additionally, Vistra would like to note that the proposed definition for Maximum Import Bid Price refers to only one usage of the value and not the full set of uses proposed in the Revised Draft Tariff Language and request the CAISO revise the definition to better capture the	The CAISO proposed, and FERC approved a definition for Non-Resource-Specific System Resource in the CCDEBE filing. http://www.caiso.com/Documents/Jul9-2020-TariffAmendment-CommitmentCostsandDefaultEnergyBidEnhancementsCCDEBE-ER20-2360.pdf The CAISO will review the tariff and ensure we use the term Non-Resource-Specific System Resource consistently.

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		scope of the Revised Draft Tariff Language.	
6.5.2.3.8	Six Cities	The Six Cities propose the following editorial revisions to this section: **6.5.2.3.8 Energy Bid Parameters** Prior to Market Close, to the extent practicable, the CAISO will notify Scheduling ***Coordinators*** whether they may submit ***Bids*** for Demand, Exports, Virtual Bids and Non-Resource Specific Resources above the Soft Energy Bid Cap.	Accepted.
6.5.2.3.8	Vistra Corp.	Vistra proposes the following redlines: **6.5.2.3.8 Energy Bid Parameters** Prior to Market Close, to the extent practicable, the CAISO will notify Scheduling Coordinators whether they may submit Demand, Exports, Virtual Bids and Non-Resource Specific System Resources above the Soft Energy Bid Cap.	Accepted.
6.5.2.3.9	Six Cities	The Six Cities propose the following correction to this section: **6.5.2.3.9 Hourly Shaping Factor** Daily, to the extent practicable, the CAISO will post on ~~OAISIS~~ ***OASIS*** the hourly shaping factors used to calculate the Maximum Import Bid Price for the Day-Ahead Market and the Real-Time Market.	Accepted.

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6.5.2.3.9	Vistra Corp.	Vistra believes this section would be clearer if it referenced new Tariff Section 30.7.12.5.3, Maximum Import Bid Price, which details the calculation for the shaping factor to be reported on OASIS.	Given the use of the defined term, we did not see it necessary to add the tariff section.
27.1.2.3	Six Cities	The Six Cities have a question regarding the second sentence of Section 27.1.2.3 and a proposed correction to the fourth sentence, as indicated below: **27.1.2.3 Ancillary Services Pricing – Insufficient Supply** The CAISO will develop Scarcity Reserve Demand Curves as further described in an applicable Business Practice Manual that will apply to both the Day-Ahead Market and the Real-Time Market during periods in which supply is insufficient to meet the minimum procurement requirements for Regulation Down, Non-Spinning Reserve, Spinning Reserve and Regulation Up as required by Section 8.3. During the first three (3) years in which the CAISO's Scarcity Reserve Demand Curves are effective, the CAISO shall conduct an annual review of the performance of the Scarcity Reserve Demand Curves and assess whether changes are necessary, with the exception that the ISO will not conduct this assessment in any year in which the Scarcity Reserve Demand Curves are not triggered. Thereafter, ***[Question - - Is the underlined language in the previous sentence still in effect? If not, Six Cities recommend it be deleted.]*** the CAISO shall review the performance of the Scarcity Reserve	Accepted.

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		Demand Curves and assess whether changes are necessary every three (3) years or more frequently, if the CAISO determines more frequent reviews are appropriate. When supply is insufficient to meet any of the minimum procurement requirements for Regulation Down, Non-Spinning Reserve, Spinning Reserve and Regulation Up, the Scarcity Reserve Demand Curve Values for the affected Ancillary Services, as set forth in this Section 27.1.2.3 and as reflected ~~in the~~ in the Scarcity Demand Curve Value table below, shall apply to determine the Shadow Prices of the affected Ancillary Services. ASMPs for an Ancillary Service type will not sum these Shadow Prices across Ancillary Service Regions, if there is insufficient supply for the Ancillary Service type in both the Expanded System Region and an Ancillary Service Sub-Region.	
27.1.2.3	Vistra Corp.	Vistra proposes the following redline: "When supply is insufficient to meet any of the minimum procurement requirements for Regulation Down, Non-Spinning Reserve, Spinning Reserve and Regulation Up, the Scarcity Reserve Demand Curve Values for the affected Ancillary Services, as set forth in this Section 27.1.2.3 and as reflected in the in the Scarcity Demand Curve Value table ~~below~~ in Section 27.1.2.3.5, shall apply to determine the Shadow Prices of the affected Ancillary Services."	Accepted.

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27.4.3		Vistra believes the current draft could be clearer when stating "Bid with an Energy Bid Price" that this excludes Virtual Bids and Non-Resource Specific System Resource Bids. It is our understanding that the CAISO intends to make this exclusion and consequently suggest adding language to this section that matches language CAISO proposed in Section 30.7.12.4. We found the language in Section 30.7.12.4 more effective in communicating the exclusion. Vistra requests the CAISO consider revising its Revised Draft Tariff Language in new Section 27.4.3.3.2 to include text that clarifies the different approaches for establishing the pricing parameters for transmission constraints between IFM and RTM as it relates to the Hard Energy Bid Cap. In our attached Suggested Redlines, we suggest the CAISO consider additional language along the lines of "For the purpose of determining how the relaxation of a Transmission Constraint will affect the determination of prices in the IFM, the pricing parameter of the Transmission Constraint being relaxed is set to the Hard Energy Bid Cap. For the purpose of determining how the relaxation of a Transmission Constraint will affect the determination of prices in the RTM, the pricing parameter of the Transmission Constraint being relaxed is set to the value of the pricing parameter described in Section 27.4.3.3.4." Vistra is unclear how to fully evaluate the new Tariff Section 27.4.3.3.1 for RUC	With regards to the recommended changes to the RUC parameters discussed in Vistra's comments, the CAISO did not stakeholder changes in this initiative to that parameter. However, the CAISO will be holding workshops to discuss scheduling and pricing parameters and scheduling priorities. Vistra should participate in that stakeholder effort. Consider introductory statement "For the purpose of determining how the relaxation of a Transmission Constraint will affect the determination of prices in the IFM and RTM,…" in Section 27.4.3.3.2

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		scheduling parameters for Transmission Constraint Relaxation since it appears on review the CAISO's existing tariff language implies the use of a different scheduling parameter value for RUC intertie Transmission Constraints than the Market Operations Business Practice Manual documents. Until we have better clarity, Vistra is unclear on the outcome of the proposed language or the precise feedback to provide to best implement the Board approved policy. Conceptually, Vistra believes to best implement the Board approved policy that the scheduling parameter for the Transmission Constraint Relaxation in new Section 27.4.3.3.1 should also scale the scheduling parameter for RUC Transmission Constraints to reflect that the market has either accepted Resource-Specific System Resource energy bid price or the Maximum Import Bid Price has exceeded soft offer cap where there is the possibility that export bids could exceed $1,250/MWh. In this scenario, our current understanding is that a higher priority would be needed to ensure that Transmission Constraints under these conditions are not relaxed prior to export schedules. At this time, we are unclear the precise revision to suggest for this section until today's intertie versus internal Transmission Constraint pricing parameters in RUC are confirmed. We respectfully ask the CAISO to confirm for stakeholders whether the existing tariff language in Section 27.4.3.1 that reads "The corresponding scheduling parameter in RUC is set to $1,250 per MWh" is	

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		accurate or if the Market Operations Business Practice Manual V67 Residual Unit Commitment (RUC) Parameter Values on Page 232 that specify the intertie Transmission Constraints scheduling parameter is $2,000/MWh rather than $1,250/MWh is accurate. We also ask the CAISO to further consider whether any unintended consequences could lead from not scaling the RUC scheduling parameters such as the scenario we describe. Based on our current understanding and assuming the BPM values are used in today's systems, Vistra suggests revising new Section 27.4.3.3.1 to scale the RUC scheduling parameters for the intertie Transmission Constraints to $4,000/MWh and internal Transmission Constraints to $2,500/MWh. If both types of Transmission Constraints are valued at the same priority level at $1,250/MWh as we interpret the existing Tariff, then Vistra's suggested redlines should be understood to propose scaling both internal and intertie Transmission Constraint scheduling parameters in RUC to $2,500/MWh.	
27.4.3.1	Six Cities	The Six Cities propose the correction to the fourth sentence of Section 27.4.3.1 indicated below: **<u>27.4.3.1 Generally</u>** The SCUC and SCED optimization software for the CAISO Markets utilize a set of configurable scheduling and pricing parameters to enable the software to reach a feasible solution and set appropriate prices in instances where Effective Economic Bids are not sufficient	Accepted.

California ISO

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		to allow a feasible solution. The scheduling parameters specify the criteria for the software to adjust Non-priced Quantities when such adjustment is necessary to reach a feasible solution. The scheduling parameters are configured so that the SCUC and SCED software will utilize Effective Economic Bids as far as possible to reach a feasible solution, and will skip Ineffective Economic Bids and perform adjustments to Non-priced Quantities pursuant to the scheduling priorities for Self-Schedules specified in Sections 31.4 and 34.10. The scheduling parameters utilized for relaxation of enforced internal and Intertie Transmission Constraints are specified in Section***s*** 27.4.3.2.1~~1~~ and 27.4.3.3.1. The pricing parameters specify the criteria for establishing market prices in instances where one or more Non-priced Quantities are adjusted by the Market Clearing software. The pricing parameters are specified in Sections 27.4.3~~1.2.3~~.2.2, 27.4.3.2.3, 27.4.3.2.4, 27.4.3.3.2, 27.4.3.3.3, and 27.4.3.3.4~~3.3 and 27.4.3.4~~. The complete set of scheduling and pricing parameters used in all CAISO Markets is maintained in the Business Practice Manuals.	
27.1.2.3.3	Six Cities	The Six Cities propose a correction to Section 27.1.2.3.3 as shown below: **27.1.2.3.3 Spinning Reserve Pricing – Insufficient Supply** The Scarcity Reserve Demand Curve Value for Spinning Reserve in the Expanded System Region or in an	Accepted. The "upward sum" number means administrative prices could increase to levels that equal 100% of the maximum energy bid if there is insufficient supply in all upward reserves (non-spinning, spinning and regulation up.) If there is also insufficient supply for regulation down administrative prices could increase to levels

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		Ancillary Service Sub-Region shall be ten (10) percent of the Soft Energy Bid Cap ***or*** for the Hard Energy Bid Cap, as applicable based on the conditions specified in Sections 27.4.3.2 and 27.4.3.3, as specified in the tables in Section 27.1.2.3.5~~maximum Energy Bid price permitted under Section 39.6.1.1.~~ With respect to the two tables in Section 27.1.2.3.5, the Six Cities request that the CAISO explain the derivation of the Upward Sum in each of the tables.	above 100% of the maximum energy bid. Each AS has its own administrative price. For example, the price for regulation up will not exceed $200 MWh, the price for spinning reserve will not exceed $100 per MWh, etc. Considering the values in the first table that shows the Ancillary Services administrative prices when the energy parameters are based on the soft energy bid cap, looking at the expanded region column assume: regulation is scarce, the table indicates price is $200; if spinning is short, the table indicates the price is $100; and non-spin is short for more than 210 MWs, the table indicates the administrative price is $700. The sum of those prices is $1000. If instead the non-spin shortage was less than 210 MWs but more than 70 MWs, the sum will be $900. The same logic applies for when the energy pricing parameters are based on the hard energy bid cap.
27.4.3.3	Idaho Power Company	Idaho Power Company requests CAISO clarify proposed section 27.4.3.3 (b)(ii). As Idaho Power reads it, that subsection essentially says if, in an interval in a given Real-Time Market horizon, either (a) CAISO has accepted a bid with an energy price that exceeds the Soft Energy Bid Cap, or (b) the Maximum Import Price exceeds the Soft Energy Bid Cap, then the parameters in sections 27.3.3.1 – 27.4.3.3.4 will apply for all intervals of the applicable Real-Time Market horizon. Please provide clarification and additional detail on is meant by the term “given Real-Time Market horizon” and “applicable market horizon.”	The CAISO has clarified this language.

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		For example, if the parameters are triggered in a five-minute Real-Time Market interval, please identify how many, and which, other five-minute intervals will have the parameters applied. Similarly, if the parameters are triggered in a Fifteen-Minute Market interval, please identify how many, and which, other intervals will have the parameters applied.	
27.4.3.3.3	Southern California Edison	This section should be the same as section 27.4.3.3.4. The CAISO should set the price based on the highest-priced cleared economic bid and not default to $2000/MWh. This does not reflect grid reality and runs counter to the policy decided in this initiative.	SCE's proposed change would not be consistent with the approved policy.
30.7.12	Vistra Corp.	In Section 30.7.12.5.1 Vistra provides suggestions to add additional clarity that (1) the highest-priced Energy Bid excludes Virtual Bids and Non-Resource Specific System Resources and (2) the value to which the Non-Resource Specific System Resources that are Resource Adequacy Resources are limited is at the greater of the Soft-Energy Bid Cap, the Maximum Import Bid Price, or the highest-priced Energy Bid, except for Energy Bids for Non-Resource Specific System Resources and Virtual Bid Prices. We respectfully provide these suggestions for Section 30.7.12.5.1 and additional minor suggestions to improve clarity of the proposed language in Section 30.7.12.5.2 and 30.7.12.5.3 in our attached suggested redlines.	The CAISO has included clarifying language. Vistra's suggestion may be redundant because this section only applies to Non-Resource-Specific System Resources that are Resource Adequacy Resources, and the next section 30.7.12.5.2 apples to Virtual Bids and Non-Resource-Specific System Resources that are not Resource Adequacy Resources.

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30.7.12.1	Six Cities	The Six Cities propose the revisions to the last two sentences of Section 30.7.12.1 shown below: **30.7.12.1 Generally** Except as otherwise stated in this Section 30.7.12, the validation rules in this Section 30.7.12 apply to all Energy Bids and Minimum Load Bids submitted by Scheduling Coordinators. The provisions of Sections 30.7.12.1 through 30.7.12.4 do not apply to Virtual Bids and Energy Bids submitted for Non-Resource-Specific System Resources; the provisions of Section 30.7.12.5 apply to Virtual Bids and Energy Bids submitted for Non-Resource-Specific System Resources. The CAISO will allow Bids for Non-Resource-Specific System Resources that exceed the Soft-Energy Bid Cap subject to the Bid price screens described in Section 30.7.12.5.2. The CAISO will allow Virtual Bids ~~prices~~ that exceed the Soft Energy Bid Cap subject to the rules specified in Section 30.7.12.5.3. The CAISO will reject Virtual Bid**s** ~~prices~~ and Bids for Non-Resource-Specific System Resources that exceed the Hard Energy Bid Cap.	Accepted.
30.7.12.4	Six Cities	The Six Cities propose the revision to Section 30.7.12.4 shown below: **30.7.12.4 After-Market Cost Recovery** For any Energy Bid, except for Energy Bids for Non-Resource Specific System Resources and Virtual Bids, or Minimum Load Bid**s** price submitted above the	Accepted.

Tariff Section	Stakeholder	Stakeholder Comment	CAISO Response
		Energy Bid price or the Minimum Load Bid ~~price~~ the CAISO uses in the CAISO Market Processes, the Scheduling Coordinators may be eligible for after-market cost recovery pursuant to Section 30.12.	
30.5.8	Six Cities	The Six Cities propose the revisions to Section 30.5.8 indicated below: **30.5.8 *Bids for* Demand, Exports, Virtual Bids and Non-Resource Specific Resources above the Soft Energy Bid Cap** **30.5.8.1 Day-Ahead Market.** Scheduling Coordinators may submit ***Bids for*** Demand, Exports, Virtual Bids and Non-Resource Specific Resources above the Soft Energy Bid Cap, not to exceed the Hard Energy Bid Cap, for any Trading Hour of the DAM in which the ***CAISO*** has accepted a Bid with an Energy Bid Price that exceeds the Soft Energy Bid Cap pursuant to Section 30.7.12, or the Maximum Import Bid Price exceeds the Soft Energy Bid Cap. **30.5.8.2 Real-Time Market**. Scheduling Coordinators may submit ***Bids for*** Demand, Exports, Virtual Bids and Non-Resource Specific Resources above the Soft Energy Bid Cap, not to exceed the Hard Energy Bid Cap, for any Trading Hour of the Real-Time Market in which – (a) The conditions in Section 30.5.8.1 applied to the respective Trading Hours ***of the DAM***; or	Accepted.

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		(b) The CAISO has accepted a Bid for the applicable Trading Hour for the Real-Time Market with an Energy Bid Price that exceeds the Soft Energy Bid Cap pursuant to Section 30.7.12, or the Maximum Import Price exceeds the Soft Energy Bid Cap.	
30.5.8	Vistra Corp.	Vistra believes additional language would make the Revised Draft Tariff Language clearer that where it reads the CAISO has accepted a "Bid with an Energy Bid Price that exceeds the Soft Energy Bid Cap" that the CAISO's intent is to refer to Energy Bid Prices except for Energy Bids for Non-Resource Specific System Resources and Virtual Bid Prices that exceed the Soft Energy Bid Cap. We found the language the CAISO included in its revisions to Section 30.7.12.4 more clearly articulated this concept that the bids exclude Virtual Bids and Non-Resource Specific System Resources. We respectfully ask the CAISO to consider using that language in this section as shown in our suggested redlines.	The CAISO has clarified this section, but believes this specific change is unnecessary and may result in confusion.
30.7.12.5	Southern California Edison	The draft language should be revised to accurately reflect the intended bid price reduction. Suggested edits (green font) below: "The CAISO will accept Bids for Non-Resource-Specific System Resources that are Resource Adequacy Resources with a price that exceeds the Soft Energy Bid Cap up to the Maximum Import Bid Price. The CAISO will reduce Bid prices for such resources that exceed the Maximum Import Bid Price and the highest-priced	Made clarifying changes consistent with this request.

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		Energy Bid from a resource-specific resource accepted by the CAISO to the greater of the Soft-Energy Bid Cap, the Maximum Import Bid Price, or the highest-priced Energy Bid from a resource-specific resource that the CAISO has accepted for the applicable Trading Hour pursuant to Section 30.7.12.2".	
30.5.8.1	Southern California Edison	**Section 30.5.8.1 (green font = missing language)** …for any Trading Hour of the DAM in which the CAISO has accepted…	Accepted.
30.7.12.5.3	Six Cities	The Six Cities propose the revision to the last sentence of Section 30.7.12.5.3 shown below: **30.7.12.5.3 Maximum Import Bid Price** The CAISO calculates the Maximum Import Bid Price as the index-based Energy price component multiplied by 110 percent, for the Day-Ahead Market and Real-time Market, separately. The index-based Energy price component is calculated based on the maximum of the available ~~published~~ bilateral electric prices for the Mid-Columbia or Palo Verde locations, converted to an hourly value using the System Marginal Energy Cost component of the Locational Marginal Price for the CAISO Balancing Authority Area. The CAISO calculates the Maximum Import Bid Price separately for the applicable on-peak and off-peak hours. The CAISO will shape the index-based Energy price component calculated	Accepted. The CAISO has rewritten this section for clarity.

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		for each Trading Hour based on the ratio of the Day-Ahead Market System Marginal Energy Cost to the average System Marginal Energy Cost of a previous representative Trading Day, as further defined in the Business Practice Manual. If for any given Trading Hour the CAISO cannot calculate the Maximum Import Bid Price, the applicable Maximum Import Bid Price will be *the* most recently available calculated Maximum Bid Price.	
34.10	Six Cities	The Six Cities propose the revision to the new (redlined) language for Section 34.10 shown below: **34.10 Dispatch of Energy from Ancillary Services** The CAISO may issue Dispatch Instructions to Participating Generators, Participating Loads, Proxy Demand Resources, (via communication with the Scheduling Coordinators of Demand Response Providers) System Units and System Resources contracted to provide Ancillary Services (either procured through the CAISO Markets, Self-Provided by Scheduling Coordinators, or through Exceptional Dispatch or dispatched in accordance with a Legacy RMR Contract) for the Supply of Energy. During normal operating conditions, the CAISO may Dispatch those Participating Generators, Participating Loads, Proxy Demand Resources, System Units and System Resources that have contracted to provide Spinning and Non-Spinning Reserve, except for those reserves designated as	Accepted.

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		Contingency Only, in conjunction with the normal Dispatch of Energy. Contingency Only reserves are Operating Reserve capacity that have been designated, either by the Scheduling Coordinator or the CAISO, as available to supply Energy in the Real-Time only in the event of the occurrence of an unplanned Outage, a Contingency or an imminent or actual System Emergency. During normal operating conditions, the CAISO may also elect to designate any reserve not previously identified as Contingency Only by Scheduling Coordinator as Contingency Only reserves. In the event of an unplanned Outage, a Contingency or a threatened or actual System Emergency, the CAISO may dispatch Contingency Only reserves. If Contingency Only reserves are dispatched through the RTCD, which as described in Section 34.5.2 only Dispatches in the event of a Contingency, such Dispatch and pricing will be based on the original Energy Bids. If Contingency Only reserves are dispatched in response to a System Emergency that has occurred because the CAISO has run out of Economic Bids when no Contingency event has occurred, the RTED will Dispatch such Contingency Only reserves using the ~~Hard~~ Soft Energy Bid Cap as the Energy Bids for such reserves and will set prices accordingly. For CAISO Market Intervals for which the conditions and parameters specified in Section 27.4.3.3 ~~to~~ apply, the RTED will Dispatch such Contingency Only reserves using the Hard Energy Bid	

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		Cap as the Energy Bids for such reserves and will set prices accordingly. If a Participating Generator, Participating Load, System Unit or System Resource that is supplying Operating Reserve is dispatched to provide Energy, the CAISO shall replace the Operating Reserve as necessary to maintain NERC and WECC reliability standards, including any requirements of the NRC. If the CAISO uses Operating Reserve to meet Real-Time Energy requirements, and if the CAISO needs Operating Reserves to satisfy NERC and WECC reliability standards, including any requirements of the NRC, the CAISO shall restore the Operating Reserves to the extent necessary to meet NERC and WECC reliability standards, including any requirements of the NRC through either the procurement of additional Operating Reserve in the RTM or the Dispatch of other Energy Bids in SCED to allow the resources that were providing Energy from the Operating Reserve to return to their Dispatch Operating Target. The Energy Bid Curve is not used by the AGC system when Dispatching Energy from Regulation. For Regulation Up capacity, the upper portion of the resource capacity from its Regulation Limit is allocated to Regulation regardless of its Energy Bid Curve. For a resource providing Regulation Up or Operating Reserves the remaining Energy Bid Curve shall be allocated to any RTM AS Awards in the following order from higher to lower capacity where applicable: (a) Spinning Reserve; and (b) Non-Spinning	

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		Reserve. For resources providing Regulation Up, the applicable upper Regulation Limit shall be used as the basis of allocation if it is lower than the upper portion of the Energy Bid Curve. The remaining portion of the Energy Bid Curve, if there is any, shall constitute a Bid for RTM Energy. For Regulation Down capacity, the lower portion of the resource capacity from its applicable Regulation Limit is allocated to Regulation regardless of its Energy Bid Curve.	