



DESERET POWER
ELECTRIC COOPERATIVE

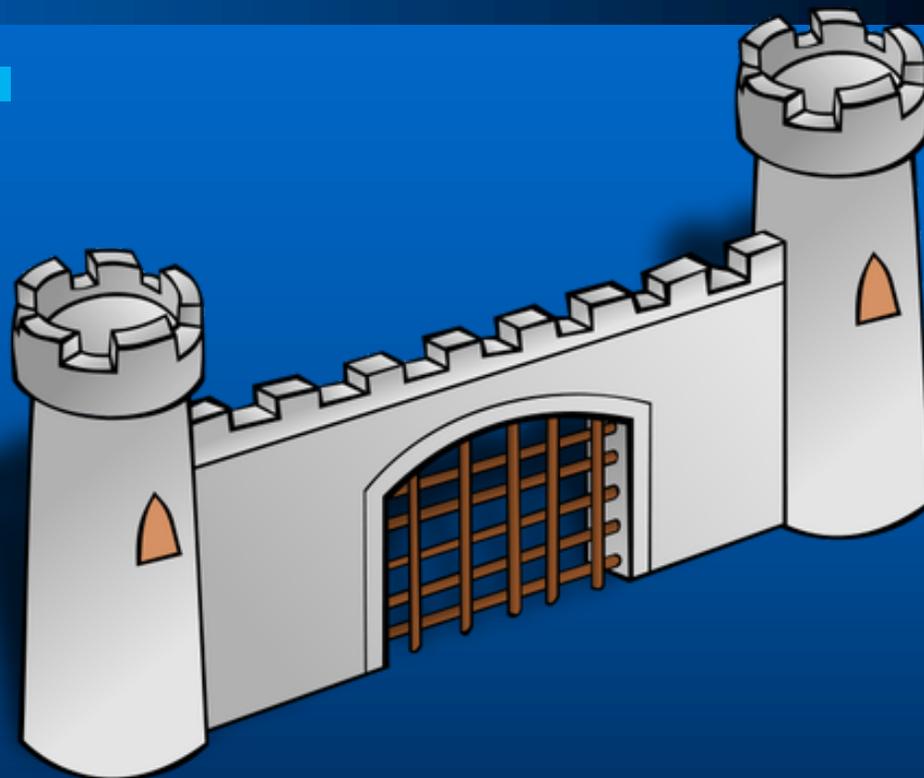
Resource Sufficiency

EIM Regional Issues Forum
December 3, 2019

Bilateral to LMP Market Transition

Resource Sufficiency Tests

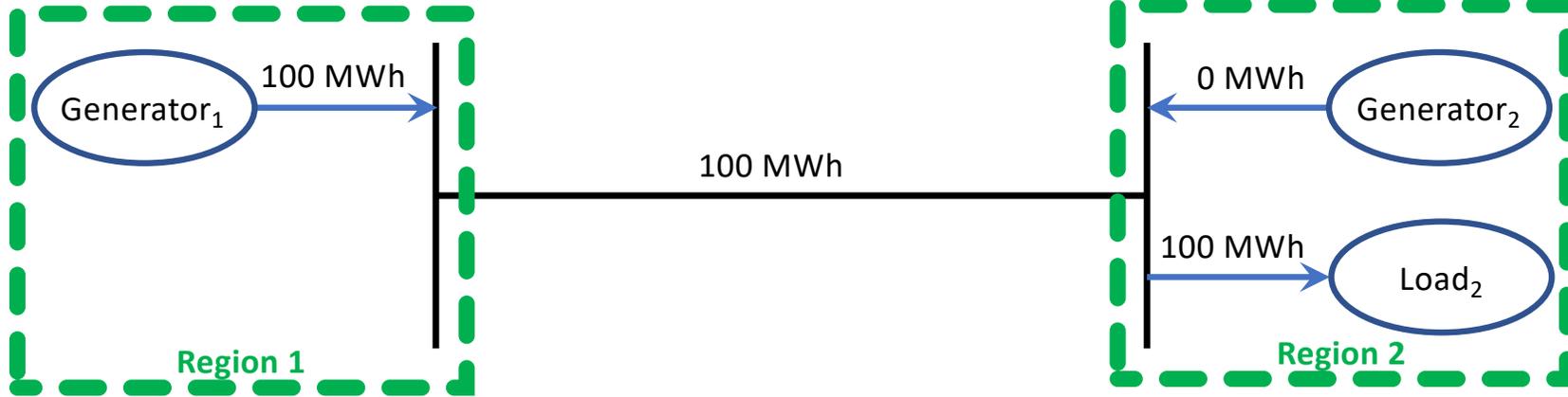
- Protects Market Participants from cost shifts
- Forces known & expected information into price formation
- Minimizes Neutrality/Uplift Charges



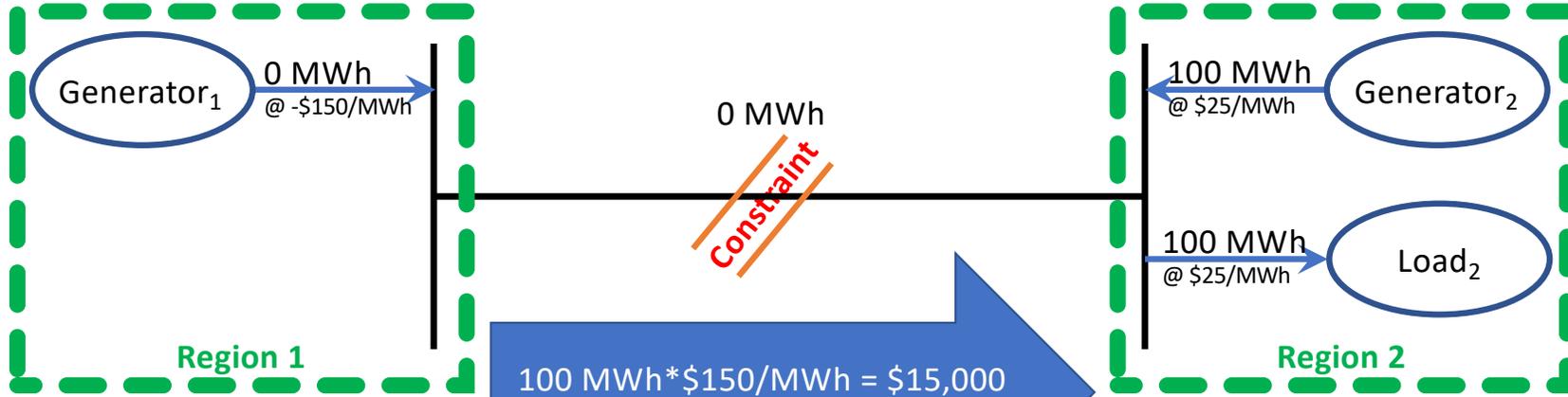
Resource Sufficiency Tests

Resource Sufficiency Tests	Mandatory
Balancing	✓
Bid Range Capacity	✓
Flex Ramp Sufficiency	✓
Transmission Feasibility	✗

Base Schedule



EIM Dispatch



- 1) Single/Limited Bidder(s)
- 2) No "must offer" obligation
- 3) Can drive the LMP anytime the constraint binds

Proposals

1. **Tariff language requiring Feasible Base Schedules**
2. **Expand LMPM to protect market participants from bids in both positive and negative directions when market power exists**
3. **Increase market transparency by exposing the “Determinants” files to all market participants**

Proposed Tariff Language...

Feasible Base Schedules

The EIM Entity shall ensure that all financially binding Base Schedules submitted to the Market Operator are feasible and do not violate any known or expected transmission constraints.

When infeasible Base Schedules have been submitted by a Transmission Customer of the EIM Entity which violate known or expected transmission constraints, the EIM Entity shall:

- i. notify the Transmission Customer(s) of the infeasible Base Schedules;
- ii. provide an opportunity for the Transmission Customer to submit a revised Base Schedule; and
- iii. modify the Transmission Customer's Base Schedule to not exceed the applicable transmission system limit if the Transmission Customer's Base Schedule remains infeasible.

In the event the EIM Entity does not comply with any part of this section, Congestion Offset charges resulting from such failure to adjust a Transmission Customer's Base Schedule shall not be allocated to any Transmission Customer.

The EIM Entity shall not unreasonably or unnecessarily constrain a Transmission Customer's infeasible Base Schedule(s). All Base Schedule constraints due to Transmission and Scheduling limitations shall be applied by the EIM Entity on a non-discriminatory basis.

A background image of window blinds with light filtering through, creating a pattern of light and shadow. The blinds are dark, and the light coming through is a warm, golden-brown color. The image is partially obscured by a dark blue horizontal band and a dark blue vertical band on the left side.

Further Discussion