

**Congestion Management Options Comparison
Draft
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Prepared By Coordinating Team**

Option	1/3	9	10
Description	Flow path based, physical rights consistent with Stage 1 with financial mechanism added on “Link Based”	Flow based, injection and withdrawal basic model with hub and spoke overlay, financial model (PJM like)	Flow based, injection and withdrawal model, financial model
Existing Rights and Load Service Obligations	Fully translated including “flexibility” One time translation prior to RTO initial operation (Work in progress)	Annually, based upon single net feasible dispatch with additional rights for flexibility in existing contracts FTOs granted(Financial transmission options) Right to credit for congestion between injection/withdrawal points	Exercised in the Day Ahead Market as IWRs in a manner similar to today IWR is right to inject and withdraw power and not be subject to congestion redispatch costs
Translation	From contract path to flow paths	From contract path to hub and spoke	Qualification process
Over allocation	Allocate all rights as FTRs or RTSs	Grant FTOs based upon single feasible dispatch including allowance for flexibility	Not applicable

Market Products Forward (Long term)	FTR (Firm Transmission Rights) RTS (Rights to schedule on over allocated paths) similar to FTRs	FTOs	ATC (Forward rights that have same characteristics as IWRs) RTS (Right to Schedule) Forward pre arranged financial ceiling on redispatch costs
Access To Products	Translation or RTO auction of FTRs on paths that are not over allocated	Translation or RTO auction of FTOs on paths that are not over allocated	ATC auctioned annually with amount based upon limiting expected redispatch cost to a preset ceiling amount/year
Scheduling	FTRs or RTSs required for “firm service” or additional schedules accepted if SC willing to pay re-dispatch costs (financial add on)	All schedules processed	All schedules processed and RTO utilizes Incs/Decs to accommodate
Re-dispatch Cost Recovery (Uplifted)	Allocated to all RTO West schedules Total cost managed to limit amount	Allocated to all RTO West schedules Total cost managed to limit amount (In progress)	In progress Cost of re-dispatch associated with ATC managed to limit amount
Uplift sources	Commercial model and accommodation of over allocated paths (RTSs)	Commercial model and accommodation of over allocated paths (FTOs)	Accommodating existing contracts and ATCs

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