

# 15 Minute Transmission Product

December 5, 2013

# Topics to Be Covered

- Statement of Problem
- Outline of Proposals
- Examples

# Problem Statement

- Cost of Transmission is Limiting Development of Intra-Hour Energy Market
- Parties who want to sell an intra-hour energy product must acquire a full hour of transmission
- Allow parties with underutilized rights to “split” the unscheduled portion of their reservation and redirect

# Proposal

- 15 Minute Transmission Product
- Non-Firm
- No changes to timelines
- Priced at pro rata of hourly non-firm
- OATT Product

# Split Reservation Redirects

- Currently, customers who have scheduled only a portion of an existing transmission reservation must purchase additional transmission
- Allow customers who have not scheduled the full quantity of their transmission rights to “split” the unscheduled portion of their reservation and redirect

# Example 1

- A load-serving customer needs an additional 25 MW of generation in the last 30 minutes of an hour
- Customer could purchase a 30 minute block of energy - but would have to purchase transmission for the full hour.
- Alternatively, customer could start a 50 MW generator - but customer would then have a 25 MW surplus; selling that surplus would require customer to purchase an hour of transmission.

## Example 2

- A load serving customer signs up for a 30-minute committed scheduling option.
- Customer modifies the schedule from its wind project but seeks to sell surpluses and purchase deficits in an intra-hour energy market.
- The customer purchases intra-hour transmission to facilitate those transactions instead of needing to purchase an entire hour of transmission for the transactions

# Example 3

- Customer has a 100 MW wind farm with 100 MW transmission
- Wind Forecast 50 MW; 50 MW scheduled
- Actual Production is 75 MW
- Customer sells 25 MW intra-hour
- Customer splits and redirects transmission from wind project to make delivery