

Long Lead Time Energy Rule

Offer obligation

LLTE like any other assets must offer into the energy market.

Long Lead Time Assets self-commit. Generation assets that have a start-up time of greater than 1 hour are considered Long Lead Time Energy (LLTE) when they are off line.

When a LLTE asset owner wants to participate in the energy market the participant enters a start time for the asset prior to 2 hours before the start of the settlement period.

A pool participant must verbally notify the System Controller before synchronizing the generator.

The generator must have an energy offer in the energy merit order to get dispatched

When an online asset cycles off, can take an AOR to return during the hour, and must again issue start time greater than an hour

Settlement: Dispatches versus Directives

During dispatches, like any other generator, a LLTE asset receives pool prices.

The ISO may issue a directive to a LLTE asset to come on line during supply shortfall situations. The ISO only takes these steps as part of the supply shortfall procedures and will only direct LLTE assets to come on line if the ISO expects to be short of operating reserves (Energy Emergency Alert 2).

When directed, the actions align with the payments:

- The pool participant can refuse the directive and position themselves for dispatch, and participate in the market to receive energy revenues.
- Or the pool participant can accept the directive and get paid only their start-up cost.

In the market:

A pool participant that receives a directive to bring a LLTE asset on line may refuse the directive if the pool participant wants to bring the asset on line and receive dispatches in the energy market. If this is the case the ISO will cancel the directive. A pool participant

can move from a directive to dispatch at any time during the directive and the revenues and costs will be adjusted based on that decision.

If the pool participant elects to offer into the energy market the participant recover their start up and basic operating costs through energy receipts like any other pool participant (i.e., is not eligible to get paid their start-up costs).

Out of market directive:

If the pool participant complies with the directive the pool participant will be paid for its start-up costs however will not receive dispatches for energy.

The assets will be directed to minimum stable generation (MSG) and directed above MSG if required as per ISO supply shortfall procedures to maintain operating reserves.

Capacity Market Performance Assessment

In terms of availability ~~performance~~-assessments, assets are considered in compliance with an availability assessment if they have an offer in the merit order ~~equal to or greater than their capacity obligation (including operating reserve dispatches) and are on line and available for dispatch.~~ ~~A LLTE asset with an offer and with a start time, even if off line, would meet the availability performance criteria.~~

Generation assets are in compliance with a performance assessment if the metered volume of the asset plus operating reserve dispatches are equal to or greater than their capacity obligation ~~During an EEA performance period, all assets must be dispatched and compliant to their dispatch.~~ If a LLTE asset is not on line or ~~does not have a start time and~~ is ~~instead~~ directed to provide energy, even if the directive is rejected and later submits a start time to enter the merit order and be dispatched, the asset would still be considered non-compliant ~~(i.e. in a long duration event)~~. While the revenues and costs will be adjusted for the LLTE directive, the asset will be viewed as non-compliant for the ~~EEA~~ performance period.