Key Principle 1.6 – Ancillary Service Imbalance Settlement with RTC

The current AS imbalance settlement processes for ORDC will be replaced with a new process in RTC.Does this new process have a name/title yet?

# Principle Concepts

# *Approved Principle Concepts*

None

#  *Principle Concepts for Voting*

1.6.1. This process will not create new sources of uplift or make-whole for Load Serving Entities (LSEs).

1.6.2 There will be a separate AS imbalance calculation for each AS product.For DA or RT, or both?

1.6.3 Non-zero net AS imbalance amounts will be charged or paid to QSEs on a Load Ratio Share (LRS) basis. If the DAM award plus self-arrangement MW amounts are exactly balanced with the RTM award MW amounts, there will be no LRS-based charges or payment (i.e., AS imbalance charges and payments will be exchanges between AS suppliers).

1.6.4 The basis for the approach to the new AS imbalance calculation is the current process for energy imbalance payments and charges.

1.6.5. The RTM obligation for a QSE is equal to the RTM LRS multiplied by sum of all RTM awards (i.e., there is no portfolio self-arrangement for the RTM).

Note: For non-consensus items, opposing key principle or principle concept language would be provided in this form to TAC for their review.

# *Future Decision Points and Issues for Developing Principle Concepts*

None currently identified

# Applicable Protocol Sections

The following sections of the Protocols will be edited to reflect the new Ancillary Service Imbalance with RTC:

*6.7 Real-Time Settlement Calculations for the Ancillary Services*