

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Price Formation in Energy and Ancillary Services  
Markets Operated by Regional Transmission  
Organizations and Independent System Operators

Docket No. AD14-14-000

SUPPLEMENTAL NOTICE OF WORKSHOP ON PRICE FORMATION AND  
ISSUANCE OF REPORT ON UPLIFT IN RTO AND ISO MARKETS

(August 14, 2014)

As announced in a Notice issued on July 9, 2014, the Federal Energy Regulatory Commission (Commission) will hold a workshop on Monday, September 8, 2014 to commence a discussion with industry on uplift payments in energy and ancillary service markets operated by the Regional Transmission Organizations and Independent System Operators (RTOs/ISOs). The workshop will commence at 8:45 a.m. and conclude at 5:15 p.m. and be held at the Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426. This workshop is free of charge and open to the public. Commission members may participate in the workshop.

The agenda and a list of participants for this workshop are attached. A report on uplift in RTO/ISO markets has been posted to the Commission website at: <http://www.ferc.gov/legal/staff-reports/2014/08-13-14-uplift.pdf>.

Those who plan to attend the workshop are encouraged to complete the registration form located at: <https://www.ferc.gov/whats-new/registration/09-08-14-form.asp>. There is no registration deadline.

The workshop will be transcribed. Transcripts of the workshop will be available for a fee from Ace-Federal Reporters, Inc. (202-347-3700 or 1-800-336-6646). Additionally, there will be a free webcast of the workshop. The webcast will allow persons to listen to the workshop but not participate. Anyone with Internet access who wants to listen to the workshop can do so by navigating to the Calendar of Events at [www.ferc.gov](http://www.ferc.gov), locating the technical workshop in the Calendar, and clicking on the webcast link. The Capitol Connection provides technical support for the webcast and offers the option of listening to the meeting via phone-bridge for a fee. If you have any questions, visit [www.CapitolConnection.org](http://www.CapitolConnection.org) or call 703-993-3100.

While this workshop is not for the purpose of discussing specific cases, the workshop may address matters at issue in the following Commission proceedings that are pending: PJM Interconnection, L.L.C., Docket No. ER14-1144; Southwest Power Pool, Docket Nos. ER12-1179, ER13-1748, and ER14-2399; Midcontinent Independent System Operator (formerly Midwest Independent Transmission System Operator, Inc.), Docket Nos. ER04-691, EL07-86, EL07-88, EL07-92, ER09-411, ER11-2275, ER12-678, ER13-2124, EL14-58, ER14-2156, ER14-2445, and ER14-5677; and ISO-New England, Docket Nos. ER14-2376 and ER14-2407.

Commission workshops are accessible under section 508 of the Rehabilitation Act of 1973. For accessibility accommodations please send an email to [accessibility@ferc.gov](mailto:accessibility@ferc.gov) or call toll free (866) 208-3372 (voice) or (202) 502-8659 (TTY), or send a fax to (202) 208-2106 with the requested accommodations.

For more information about the workshop, please contact:

William Sauer (Technical Information)  
Office of Energy Policy and Innovation  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426  
(202) 502-6639  
[William.Sauer@ferc.gov](mailto:William.Sauer@ferc.gov)

Sarah McKinley (Logistical Information)  
Office of External Affairs  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426  
(202) 502-8368  
[Sarah.McKinley@ferc.gov](mailto:Sarah.McKinley@ferc.gov)

Kimberly D. Bose,  
Secretary.



# **Price Formation in Energy and Ancillary Services Markets Operated by Regional Transmission Organizations and Independent System Operators**

## **Uplift Workshop**

**Docket No. AD14-14-000  
September 8, 2014**

### **Agenda**

This workshop is part of the Commission's recently announced effort to explore improvements to market designs and operational practices in order to ensure appropriate price formation in energy and ancillary services markets. Specifically, the purpose of this workshop is to explore the technical, operational and market issues that give rise to uplift payments and the levels of transparency associated with uplift payments. The workshop will also preview the scope of the remaining price formation topics, which include offer price mitigation and price caps, scarcity and shortage pricing, and operator actions that affect prices.

**8:45am - 9:00am**                      **Welcome and Opening Remarks**

**9:00am – 10:45am**                **Panel 1: Causes of Uplift**

Panel 1 will explore issues that give rise to uplift payments. Each panelist will have the opportunity to discuss drivers of uplift payments in its RTO/ISO and is encouraged to be prepared to discuss: (1) uplift payments that have been highly concentrated and persistent on a geographic or resource basis; (2) technical, operational and market issues driving uplift payments; and (3) the relationship between uplift payments and unit flexibility.

#### **Panelists:**

- Guillermo Bautista Alderete, California Independent System Operator

Corporation

- Peter Brandien, ISO-New England, Inc.
- Todd Ramey, Midcontinent Independent System Operator, Inc.
- Joseph Bowring, Monitoring Analytics
- Robert Pike, New York Independent System Operator, Inc.
- Stu Bresler, PJM Interconnection, L.L.C.
- David Patton, Potomac Economics
- Richard Dillon, Southwest Power Pool, Inc.

**10:45am – 11:00am          Break**

**11:00am – 12:00pm          Panel 2, Part 1: Impact on Market Participants**

Panel 2 will explore the impact of uplift on market participants. Each panelist will have the opportunity to discuss how uplift payments and/or charges affect its participation in energy and ancillary service markets operated by the RTOs/ISOs. Possible discussion items could include how business decisions are impacted by: (1) uplift transparency provided by RTOs/ISOs, the RTO/ISO market monitoring units, and Electric Quarterly Reports; (2) price distortions resulting from out-of-market payments; and (3) the level and volatility or unpredictability of uplift charges. The RTOs/ISOs and the RTO/ISO market monitoring units will be given an opportunity to discuss any issues raised by panelists. The first part of this panel will focus on the impact of uplift payments on market suppliers.

**Panelists:**

- John Rohrbach, ACES
- Mark Smith, Calpine Corporation
- Brian Forshaw, Connecticut Municipal Electric Energy Cooperative
- Ivan Kimball, Consolidated Edison Co. of New York
- Jason Cox, Dynegy Inc.
- Michael Schnitzer, Entergy Nuclear Power Marketing, LLC
- Wesley Allen, Financial Marketers Coalition
- Peter Fuller, NRG Energy
- Elizabeth Whittle, Retail Energy Supply Association

**12:00pm – 1:00pm          Lunch**

**1:00pm – 2:00pm          Panel 2, Part 2: Impact on Market Participants**

This continuation of Panel 2 from the morning session will focus on the impact of uplift payments on load-serving entities and financial marketers.

**Panelists: (Same Panelists as Part 1)**

**2:00pm – 2:15pm                      Break**

**2:15pm – 4:00pm                      Panel 3: Price Transparency and Evolving Market Designs**

Panel 3 will explore the adequacy of and the potential to enhance uplift transparency and recent market design changes that may address some of the causes of uplift. Discussion will include whether and how to include uplift related costs into locational marginal prices and improve the usefulness of publicly available uplift information. Panelists should be prepared to discuss current initiatives and ideas for potential future market design changes that would further enhance transparency and price formation.

**Panelists:**

- Bradford Cooper, California Independent System Operator Corporation
- Brian Forshaw, Connecticut Municipal Electric Energy Cooperative
- Susan Pope, Electric Power Supply Association
- William Berg, Exelon Corporation
- Matthew White, ISO-New England, Inc.
- Todd Ramey, Midcontinent Independent System Operator, Inc.
- Joseph Bowring, Monitoring Analytics
- Robert Pike, New York Independent System Operator, Inc.
- Stu Bresler, PJM Interconnection, L.L.C. Richard Dillon, Southwest Power Pool, Inc.

**4:00pm – 5:00pm                      Panel 4: Broader Price Formation Issues**

Panel 4 will explore broader price formation issues and discuss next steps. In the Notice issued on June 19, 2014, four price formation topics were outlined: (1) use of uplift payments; (2) offer price mitigation and offer price caps; (3) scarcity and shortage pricing; and (4) operator actions that affect prices. This exploratory session will assist staff in examining the relationship among these four topics, whether other price formation topics, not included in the June 19, 2014 Notice, should be explored, and the appropriate next steps in this staff exploration of price formation.

**Panelists:**

- Susan Pope, Electric Power Supply Association
- Judith Judson, Energy Storage Association
- Harry Singh, J. Aron & Company
- David Mohre, National Rural Electric Cooperative Association
- Elizabeth Whittle, Retail Energy Supply Association
- David Patton, Potomac Economics
- Bob Weishaar, PJM Industrial Coalition and PJM Load Coalition

**5:00pm – 5:15pm**

**Closing**