

Subject:

ADVISORY: Call for Comments Proposed General Amendments to various WESM Manuals on the option to use the Final Metered Quantity (MQ) data as the basis for the Final Bilateral Contract Quantity (BCQ) of a Fully-contracted Generation Company

Good day RRD,

We are respectfully submitting the MSC's general comment to the subject proposed general amendments.

In line with the MSC's responsibility to monitor the activities in the Green Energy Option Program, it has flagged several entities as non-compliant with DOE Department Circular No. DC2018-07-0019 due to spot market exposures arising from discrepancies between daily and monthly Metered Quantities (MQ). During the first two years of GEOP implementation (April 2022 to April 2024), the Committee observed instances where the consumption of GEUs was not covered by BCQ. This resulted in the sourcing of energy requirements from the spot market, which comprises various generation types.

Based on MSC's coordination with concerned suppliers, RE suppliers experienced spot exposures due to mismatches between BCQ declarations based on daily MQs and subsequent adjustments in monthly MQs. These discrepancies led to unintended transactions in the spot market. In cases where daily MQ data was unavailable, some RE suppliers resorted to using their own energy consumption data.

To address this, the MSC proposes that the adjustments to be afforded to the generators be made available to suppliers/customers to retroactively correct BCQ declarations, ensuring alignment with final metered data.

For your appropriate action/reference.

Thank you,



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