Buyer-Side Market Power (BSMP)

Out-of-Market Support – What Counts and What Does Not Count?

Core Rule

Out-of-market support* includes any financial benefit outside the capacity market that may affect how capacity is offered into the market.

What Typically Counts

- Long-term contracts with fixed or guaranteed payments
- Government incentives or subsidies
- Affiliate financial support
- Payments tied to capacity operation or output (including performance-based payments)

What Typically Does Not Count

- Capacity market revenues
- Competitive wholesale market revenues
- Normal market-based earnings from capacity, energy, or ancillary services market participation

Key Question

Does this financial support reduce the need to recover costs through the capacity market?

Important Notes

- Not all support leads to mitigation
- Each case is evaluated based on asset specific information sent to the internal market monitor (IMM) for review
- If unsure, disclose and seek additional review

*As defined in Section III.A.21.3(a)(ii)

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In case of discrepancy between training provided by ISO and the Tariff or Procedures, the meaning of the Tariff and Procedures shall govern.