**eMarket changes effective 03/01/2020 for the Offer Caps changes**

1. High Level Changes in eMarket

Beginning on March 1, 2020, Market Participants with Generators and Demand Response Resources (DRR), will be able to submit hourly incremental energy prices above $1000/MWh. Prior to this change, eMarket validation rules prevented Participants from entering prices exceeding this threshold. This change affects both eMarket User Interface and Web Services.

The following rules describe the new Offer Caps functionality:

* Participants are allowed to enter resource incremental energy offer prices higher than the current limit of $1000/MWh. This is only applicable to Schedule Offers Hourly Updates for Generators and DRRs.
* Prices above $1000 are immediately capped to $1000, but uncapped price is stored for verification and is available for Participant viewing. In eMarket displays, this immediate capping to $1000 is called “soft-capping”, indicating that the price may be changed later by the verification process.
* The verification process uses the reference costs based on the approved fuel cost and other financial parameters to determine the maximum energy cost to which Participant’s offer may be raised. For units with multiple fuels, the fuel blend in the offer determines the mitigation schedule price. For units with a single fuel or no fuel, the mitigation schedule price is the same as the reference schedule price. If the verified cost is above $1000, the system automatically raises the offer price to this value or to the uncapped price, whichever price is lower.
* For Intraday market, the verification process occurs upon modification of Schedule Offers Hourly Updates, submittal of a Fuel Price Adjustment (FPA), or re-evaluation of a submitted FPA due to IMM’s change of FPA threshold for a given fuel and time period. Verification results are visible in eMarket after about 1 or 2 minutes.
* For the next day offers, the verification process occurs after the closing of the Day Ahead market, after closing of the Reoffer period, and after the publication of final fuel prices for the next day.
* The automatically raised price may exceed $2000, but for the Locational Marginal Price (LMP) calculation by market clearing engines, the price will be capped to $2000.
* Once an offer has been verified against the reference schedule, the system will never reduce the offer price, even if the reference cost is reduced.
* Resources with capped offers are still subject to mitigation evaluation.

1. Migration Timeline

The new functionality will be available in the eMarket

* Sandbox environment starting 11/27/2019
* Production environment by 03/01/2020

1. eMarket User Documentation

The following documents are available on the ISO-NE website to support testing in the eMarket Sandbox and updating client software to the new specification.

* eMarket Users Guide v7.0
* eMarket Data Exchange Specification v10.8
* eMarket WSDL files
* eMarket Client Sample Programs