

## DCE Fixed Rate Proposal and Principles

The goal is to develop a fixed rate (plus true-up mechanism) to pay for all uplift costs in one bucket and spread the costs as widely as possible across all energy market providers, consumers and products.

- 1- Costs to Include: Day-ahead and Real-time Operating Reserves; and Balancing Congestion
- 2- Allocation Mechanism: total day-ahead plus real-time load mwh; total day-ahead plus real-time generation mwh; imports, exports, wheels, incs, decs and UTCs.
- 3- Rate: Develop the annual rate based on the average of the three previous year data. As noted below, DC Energy open to other ideas and suggestions and an alternative to single fixed a rate would be to develop seasonal an/or on-peak/off peak rates
- 4- True-up — We recognize this is the ‘missing element’ in our proposal and open to suggestions developed through the stakeholder process.
- 5- Flexibility — DC Energy is also open to other ideas and compromise.