



**Adoption of Multiday Gas Purchase
Requirement or Unit Commitment Process
During Extreme Cold
(MSC-2024-3)
Settlement Impacts**

Settlement User Group

November 17, 2025

**Updated on November 17, 2025
Slide 3, 3rd bullet corrected year of
effective date**

Purpose & Key Takeaways

Purpose:

Discuss Market Settlements rule change for Cancellation of FRAC Commitments



Key Takeaways:

- Issue has been presented in the MSC
- Start-Up Cost recovery for FRAC Committed Resources
- Draft POP Guide redlines
- Market Settlements implementation plan

Adoption of Multiday Gas Purchase Requirement or Unit Commitment Process During Extreme Cold (MSC-2024-3)

- This item has been presented at the MSC on the following dates:
 - [February 20, 2025](#)
 - [May 22, 2025](#)
 - [August 21, 2025](#)
 - [September 30, 2025 \(Tariff Redlines\)](#)
- Proposed Tariff changes were filed at FERC under Docket No: ER26-510-000 on 11/14/2025
- Changes would be effective 1/30/2026 if accepted
- Requires MISO to pay full Start-up Recovery to Resources cancelled prior to converting the FRAC Commitment to a DA Commitment
- Publication of Post Operating Processor (POP) 5 Minute Calculation Guide will occur once approved by FERC

POP Guide Change

D.7.2.4 Cancellations

In the event that the Resource is cancelled, a special set of rules to determine the awarded Start-Up Cost.

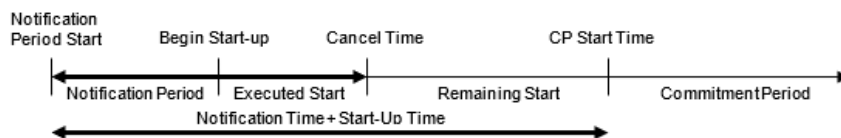
Common Cancellation Scenarios

Event Time	MISO Initiated Cancel
Before Commitment Period Start	Eligible for prorated Start-up Cost Award.
After Commitment Period Start	Eligible for full Start-up Cost Award.

If MISO cancels the Resource prior to the CP Start Time, then the Start-Up Cost is prorated by applying the following formula:

Prorated Start-Up Cost

$$\text{Awarded Start-Up Cost} = \text{Full Start-Up Cost} \times \left\{ 1 + \left[\frac{(\text{Cancel Time} - \text{CP Start Time})}{(\text{Start-up Time} + \text{Notification Time})} \right] \right\}$$



When a Resource is cancelled by MISO after the start of the CP, the Resource is eligible for Total Production Costs providing it meets all other eligibility criteria. FRAC-committed Resources, cancelled by MISO before the close of the Day-Ahead Market for the Operating Day in which the Resource is committed, are eligible for full Start-Up Costs.

In the event a Resource is cancelled by MISO then issued a CP that overlaps with the original CP, the original CP is treated as if it never existed and the new CP is evaluated for Start-Up Cost eligibility just like any other CP.

FRAC-committed Resources, cancelled by MISO before the close of the Day-Ahead Market for the Operating Day in which the Resource is committed, are eligible for full Start-Up Costs.

Market Settlement Implementation

- Resources will be paid the Start-up Costs via a RT_MISC
- These costs will be distributed via Load Ratio Share based on the start hour of the cancelled commitment; same method as all other cancelled RT commitments (RT_RSG_DIST2)
- MISO anticipates the usage of this provision to be rare
- An automated solution is in the code development backlog



Questions

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