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Project Nexus Workgroup

Reconciliation Transition

19th September 2011

Transitional Reconciliation - Options

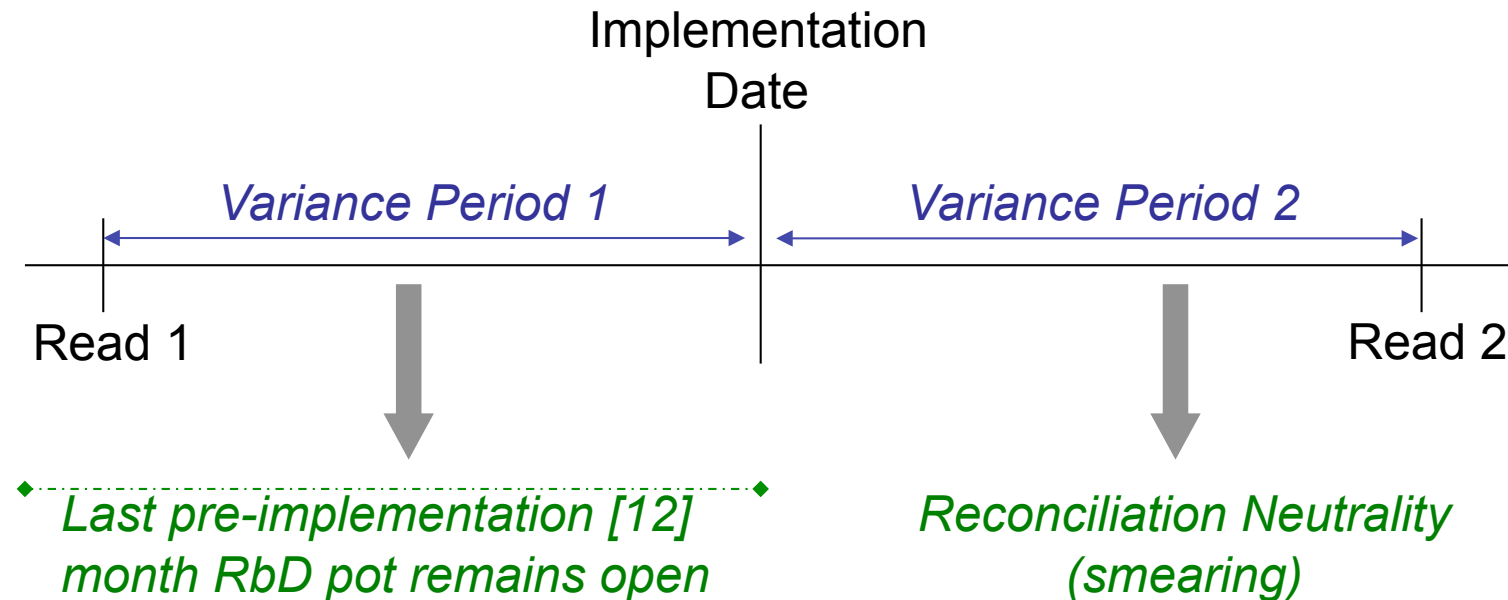
- Options for Transitional Rules – Treatment of Pre-implementation Energy on LSPs
- 3 Options identified
 - Maintain a final pre-implementation RbD Pot
 - Continuing RbD pot
 - Use Neutrality Smearing

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Option 1- Legacy RbD Pot



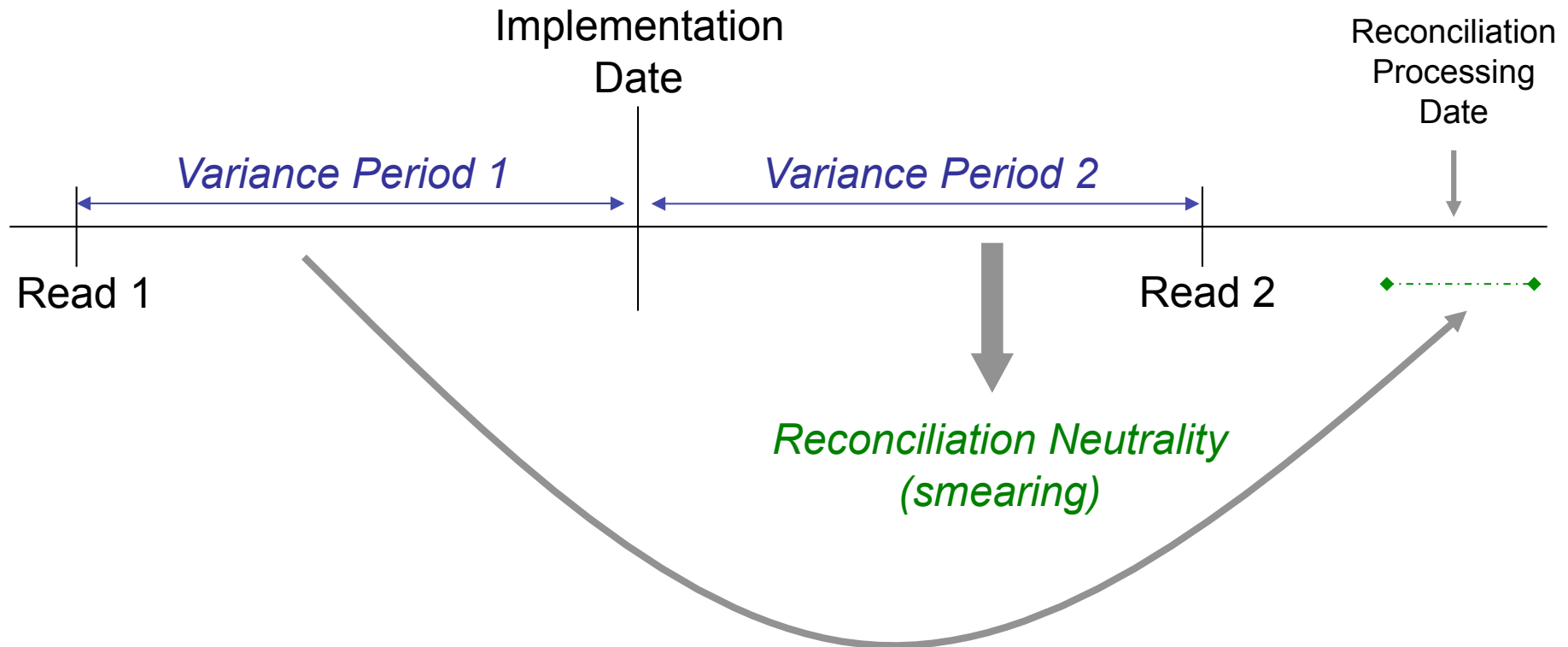
Note: Although the effective dates of the reconciliation span the Implementation Date, the reconciliation may not be processed for [5] years (depending on reconciliation Line-in-the-Sand]

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Option 2 – Continuing RbD pot



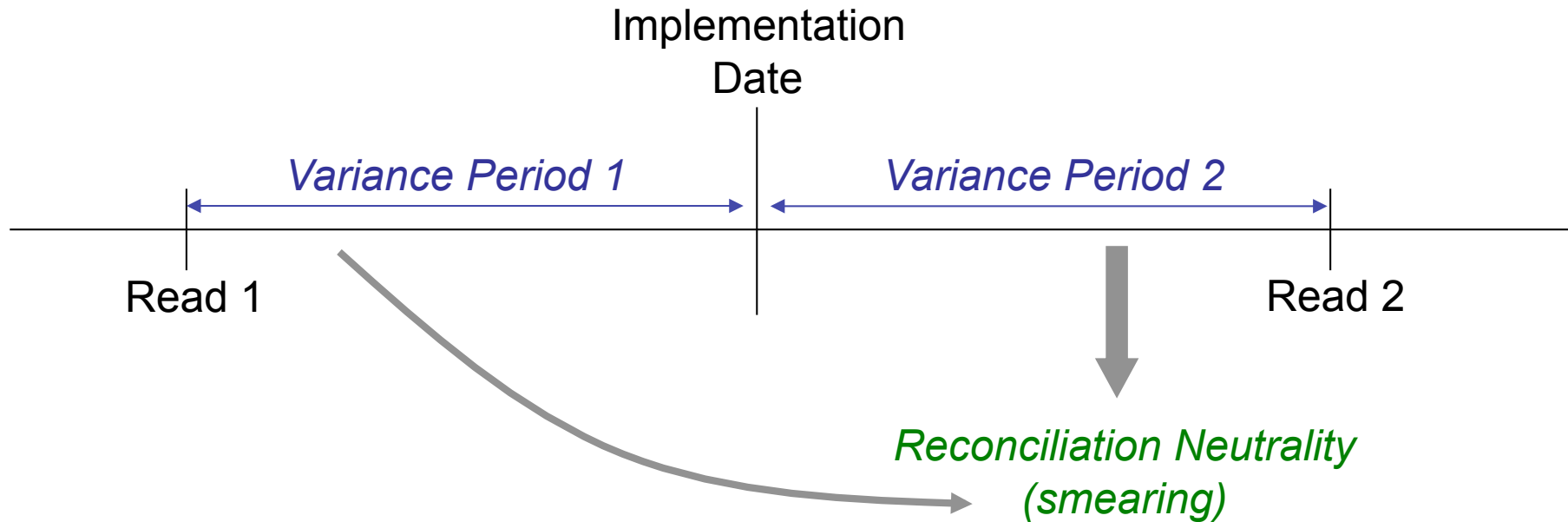
Continue to maintain a [12] month RbD Pot based on latest shares for Legacy RbD processing purposes. I.e. market shares updated every month

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Option 3 – Neutrality Smearing



After, say, 12 months, cease use of RbD Pots and commence smearing through Reconciliation Neutrality mechanism

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