



REDISPATCH TRANSMISSION SERVICE FACTSHEET

What is it?

Transmission Redispatch is a means to resolve transmission congestion by changing generator output levels to reduce congestion. Redispatch can be used to enable additional firm transmission sales by reducing the congestion which otherwise would have limited the sales.

Why is it needed?

Where transmission lines are congested, adjusting the output of generators that produce congestion could be a lower cost, faster solution to new transmission service than building new lines. It makes sense to use the lowest cost methods to resolve transmission congestion before turning to higher cost methods.

How would it work?

Transmission providers would offer to redispatch generators in order to provide long term firm service to transmission customers, which in turn would allow for new renewable energy projects to be financed. Providers would publish dynamic, real-time values for what they would charge to provide redispatch service at specified congested locations within the transmission provider's system and at specified flowgates at the border of the transmission provider's system. In non-market environments, these values can and will be cost-based. These values are known to the entity performing dispatch. By making these values more transparent, customers can assess redispatch options and other participants might voluntarily offer redispatch solutions and be properly compensated for their efforts.

What are the benefits?

The benefits are more renewable energy integrated onto the grid and lower total costs for consumers if transmission constraints are handled by redispatch instead of more costly measures.

What are the costs?

Costs are determined by what it costs to increase output from one generator, and decrease output from another generator. Costs of redispatch must be determined and allocated to the customers requiring such service. Redispatch service can be effective only where actual costs are assigned properly to customers requiring the service and where such costs can be known with reasonable certainty at the time such customer decides whether or not to take transmission service. All transmission providers regularly redispatch their systems. The challenge is predicting future redispatch costs and providing cost certainty to customers. Providing transparency of costs over time will help providers and market participants assess and predict redispatch costs.

What are sources for more information?

The American Wind Energy Association (AWEA) and the Electric Power Supply Association (EPSA) provided [comments](#) on redispatch and conditional firm service.