

Questions for next session

1. How are LMPs calculated? How are they derived?
2. What do LMPs represent?
3. Explain the problem of solving AC OPF and its remedy.
4. Explain which is the offer that defines the LMP at each node.
5. What is the benefit from having a correlation between LMP and offer price?
6. What is the role of the slack bus at the derivation of the LMP?
7. What should be the price of losses?
8. How are markets dealing with infeasibilities?
9. Name several infeasibilities and their resolutions.

