

Gas Unit Commitment Coordination (OC) Final Proposal Report

November 20, 2014

Gas Unit Commitment Coordination Issue Charge
Gas Unit Commitment Coordination Problem Statement
Problem Statement brought forward by PJM
Problem Statement/Issue Charge approved at May 29, 2014, MRC
Number of Meetings covering this topic: 11

Issue Summary

The cold weather operations of January 2014 highlighted issues with gas/electric coordination. If the gas pipelines impose restrictions on gas purchases and therefore the gas fired units, PJM is faced with a challenge whereby units that are normally the cheapest and most flexible units in the PJM market suddenly become the most costly and inflexible units on the system. If this is localized in nature to a few units, it is manageable. However, if the restrictions begin to impact units across the entire footprint, optimizing the economic dispatch of the system and maintaining reliability becomes much more challenging. In general, the process for longer lead gas unit commitment would benefit from improved clarity, transparency and standardization.

The group was asked to address a number of issues resulting from the challenges introduced by gas / electric coordination. These issues include:

- Units with notification times that exceed the Day-Ahead Market Posting timeframe
- Units with parameters that exceed their default parameter limited schedule values
- Units with cost schedules locked in in the Day-Ahead Market they may not be reflective of their actual costs
- Unclear communication between PJM and Generation Owner Dispatchers related to these scenarios

The group was tasked with developing a short term solution to address the issues above for the 2014/2015 winter and identify suggestions for a longer term solution.



1. Recommended Proposal

The proposal developed by PJM, the Market Monitor, and the PJM Members consists of:

- A) Data Accuracy for Existing Fields
 - a. Reinforce Generation Owners (GOs) must ensure data accuracy in eMarket for next X days (up to 7 days). The emphasis on ensuring data accuracy is during Hot and Cold Weather alert periods. The Exception process (Manual 11) will be used if the unit parameters conflict with approved Parameter Limited Schedule values.
 - b. PJM will be prepared to file a waiver with FERC for the February 28th deadline to submit Period or Persistent Exceptions if necessary.
- B) New Data Fields
 - a. New data fields to capture Operational Restrictions and Fuel data will be added to eMarket.
- C) Reinforce Critical Information and Reporting Requirements
 - a. Reinforcement of Planned, Maintenance, and Unplanned Outage rules and critical reporting requirements as per Manual 14D.
- D) Unit Commitment in Advance of the Day Ahead (DA) Market Posting
 - a. Units called on by PJM in advance of the DA Market Posting will be committed into the D A Market with the cost and unit parameters communicated to PJM at the time of the commitment
 - b. Units will be offer-capped at the cost offer provided by PJM.
 - c. Generators committed under this procedure will be run for the hours scheduled and will be included in the DA Market as indicated in Manual 11.
 - d. Units will run for either the maximum of their minimum run time or the profile provided by PJM at the time of the commitment.
 - e. The details of the scope are provided in Manual 13 and are in coordination with Energy & Reserve Pricing changes recently approved (ERPIV) at the October MRC.
- E) Intra Day Cost Schedule Updating
 - a. Resources with NO DA Commitments AND not picked up in the Reserve Adequacy Commitment (RAC)
 - b. Resources extended beyond DA or RAC scheduled commitment
 - c. Hourly updates to COST schedule availability with a 3 hour ahead lock-in (current operating hour plus 3 hours ahead).

2. Standing Committee Results

The proposal was Approved at the November 6, 2014 OC meeting with 16 objections and 20 abstentions.



Appendix I: Proposals Not Meeting the Threshold

There are no proposals that did not meet the threshold.

Appendix II: Supplemental Documents

GUCC Winter 2014 2015 Scope Presentation

GUCC M11 Edits

GUCC M13 Edits