

ARR/FTR Market Task Force: Conforming Change to Attachment Q

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MC Information Webinar
December 13, 2021

- PJM has identified an additional governing document change needed to conform with the [language](#) that was endorsed by the Members Committee on November 17th
- The calculation of reference pricing for FTR Option path-specific credit requirements will need to be modified to account for new FTR class types
 - Input methodology update – not a change to the credit calculations
- FTR class types will include: weekend on-peak (new), weekday on-peak, off-peak (modified to everyday), 24H
 - Approved language on slide 3

OA Schedule 1 Section 7.3.4:

Weekend on-peak, weekday on-peak, off-peak and 24-hour FTRs Financial Transmission Rights will be offered in the annual, long-term, and monthly auctions. Weekend on-peak Financial Transmission Rights shall cover the periods from 7:00 a.m. up to the hour ending 11:00 p.m. on Saturdays, Sundays, and holidays as defined in the PJM Manuals. Weekday on-peak Peak Financial Transmission Rights shall cover the periods from 7:00 a.m. up to the hour ending at 11:00 p.m. on Mondays through Fridays, except holidays as defined in the PJM Manuals. Off-Peak Financial Transmission Rights shall cover the periods from 11:00 p.m. up to the hour ending 7:00 a.m. on ~~Mondays through Fridays and all days all hours on Saturdays, Sundays, and holidays as defined in the PJM Manuals.~~ The 24-hour period shall cover the period from hour ending 1:00 a.m. to the hour ending 12:00 midnight on all days. Each bid shall specify whether it is for a weekend on-peak, weekday on-peak ~~on-peak~~, off-peak, or 24-hour period.

OATT Attachment Q – Section VI. C 2.

FTR Historical Values shall be calculated separately for weekend on-peak, weekday on-peak, off-peak, and 24-hour FTRs for each month of the year. FTR Historical Values shall be adjusted by plus or minus ten percent for cleared counter flow or prevailing flow FTRs, respectively, in order to mitigate exposure due to uncertainty and fluctuations in actual FTR value. Historical values used in the calculation of FTR Historical Values shall be adjusted when the network simulation model utilized in PJM's economic planning process indicates that transmission congestion will decrease due to certain transmission upgrades that are in effect or planned to go into effect for the following Planning Period. The transmission upgrades to be modeled for this purpose shall only include those upgrades that, individually, or together, have 10% or more impact on the transmission congestion on an individual constraint or constraints with congestion of \$5 million or more affecting a common congestion path. The adjustments to historical values shall be the dollar amount of the adjustment shown in the network simulation model.

**This language will only apply to FTR Options pending FERC approval of the FRMSTF Filing*

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