



Vitol Problem Statement NYISO-PJM Spot-In Service

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- **Market-Limited Spot-In**
 - Submit NY to PJM import bids without upfront PJM ATC limitations
 - Honor PJM physical limits via NYISO adding PJM ATC as an input to RT economic clearing
- **Weighing Market Efficiency Against Complexity**
 - The Market-Limited solution provides benefit from a market efficiency perspective but has significant development/implementation complexity
 - NYISO's expressed concern regarding price exposure for its members may require congestion component in PJM LMP via an 'M2M-like' process
 - NYISO proposed the allocation of deviation costs to PJM members in the event that Day-Ahead ATC is greater than T-75 ATC
 - Development/implementation may require a long time horizon

- **Considerations**
 - PJM has made multiple, incremental improvements to enhance the availability of the Spot-In product over the past few years
 - Spot-In availability issues are infrequent but there is still the potential of such service being unavailable under certain system conditions
 - Market-Limited Spot-In solution is overly complex considering scale of problem
- **Spot-In Earliest Request Time Change**
 - NYISO Day-Ahead results posted at approximately 09:35
 - Change Spot-In earliest request time from 09:00 to 10:00
 - Aligns with unrelated PJM efforts to optimize the DA market solution (potential in the future for a later DA market submission deadline)
- PJM and Vitol may revisit this issue should the frequency of Spot-In availability issues increase