

Review of Real Time Values Market Rules

Issue Source

This issue charge is being brought forth by PJM.

Issue Content

A review of the Real Time Value (RTVs) market rules to address their purpose, expectations of usage, and interactions with Parameter Limited Schedules.

RTVs may be used if a resource's unit specific parameter limits or approved parameter limited exceptions cannot be met. For example, due to staffing restrictions, a resource owner may ask to use RTVs to increase its notification time. By increasing a resource's notification time, the resource may avoid being dispatched by PJM during unstaffed hours and therefore ~~any associated financial outage rate penalties~~ avoid a forced outage that would affect the resource's EFORd. Make-whole payments are not available for resources utilizing RTVs ~~unless the Market Seller of the resource can justify to PJM that operating outside of its unit specific parameters was the result of an actual constraint~~. Additionally, there have been operational impacts in real time when a resource is called on by PJM dispatch based on its unit specific parameter limits or approved parameter limited exceptions, and at that time the resource notifies PJM that they cannot meet their offered parameters.

Key Work Activities and Scope

1. Review history and education on RTVs including what they are, the original need for RTVs, and the appropriate usage of RTVs.
2. Discuss new requirements on how and when RTVs should be used.
3. Areas to be addressed:
 - a. ~~Staffing expectations~~ Appropriate circumstances for deviating from parameter limits for notification time and start up time
 - b. ~~Natural gas nomination timing expectations~~
 - c. Consequences for not adhering to unit specific parameters
 - d. Consequences for not reflecting actual operating conditions in submitted offer
4. Areas not to be addressed:
 - a. Application and use of Parameter Limited Schedules (PLS)
 - b. Parameter Exception Process
 - c. Unit Specific Parameter Adjustment Process

Expected Deliverables

1. Potential clarifications to Real Time Values market rules
2. Potential manual changes and governing document revisions
3. Potential FERC filing to add Real Time Value language to governing documents

Decision-Making Method

Tier 1, consensus.

Stakeholder Group Assignment

New Special Session reporting to the MIC.

Expected Duration of Work Timeline

It is estimated that this work effort would take 6 months. This process would begin in early 2020 as soon as practical following stakeholder approval of this Issue Charge. A potential FERC filing to add RTV language to governing documents and implementation of the solutions is estimated to take an additional 6 months.

Start Date	Priority Level	Timing	Meeting Frequency
1/1/2020	<input type="checkbox"/> High <input checked="" type="checkbox"/> Medium <input type="checkbox"/> Low	<input checked="" type="checkbox"/> Immediate <input type="checkbox"/> Near Term <input type="checkbox"/> Far Term	<input type="checkbox"/> Weekly <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly

Charter

(check one box)

<input type="checkbox"/>	This document will serve as the Charter for a new group created by its approval.
<input checked="" type="checkbox"/>	This work will be handled in an existing group with its own Charter (and applicable amendments).

More detail available in M34; Section 6