



# Preliminary FTR Surplus Allocation

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- FTR Surplus is allocated at the end of the planning period
  - Allocated proportionally to FTR holders with net positive FTR target allocations for the planning period

$$FTR \text{ Surplus Allocation} = \frac{\text{Net positive FTR Target Credits}}{\text{PJM Total Net Positive FTR Target Credits}} * FTR \text{ Surplus}$$

- Members have requested for PJM to provide a preliminary year-to-date PJM FTR Surplus Total

- Three data elements for the planning period are needed to determine a member's preliminary allocation
  1. Sum of year-to-date net positive Hourly FTR Target Credits
  2. Preliminary planning period to-date PJM Total Net Positive FTR Target Credits
  3. Cumulative Planning Period Surplus



# Sum of year-to-date net positive Hourly FTR Target Credits

- Use the Hourly Transmission Congestion Credits report
  - Calculate the year-to-date sum of all Hourly FTR Target Credits
  - If the sum is negative, then the surplus allocation is \$0
  - Max date range for this report is 45 days
    - 7 download timeframes needed to total up June 2017 through March 2018



# Preliminary Planning Period to-date PJM Total Net Positive FTR Target Credits

- Added in the Revenue Adequacy report published on the Financial Transmission Rights page for March and April

## Revenue Adequacy

[Percent FTR Credit By Month](#) XLS

Month	Monthly Surplus/Deficiency (\$Millions)	Cumulative Planning Period Surplus/Deficiency (\$Millions)	Preliminary Planning Period to date Total Positive FTR Target Credits (\$Millions)
Jun-17	4.9	4.9	
Jul-17	6.5	11.4	
Aug-17	4.4	15.8	
Sep-17	5.8	21.6	
Oct-17	-15	6.6	
Nov-17	10.4	17.0	
Dec-17	61.5	78.5	
Jan-18	251.5	330.0	
Feb-18	9.2	339.2	



- Currently provided in the Revenue Adequacy report

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1. Sum of year-to-date net positive Hourly FTR Target Credits
2. Preliminary planning period to-date PJM Total Net Positive FTR Target Credits
3. Cumulative Planning Period Surplus

$$\text{Preliminary FTR Surplus} = \frac{1}{2} \times 3$$