



# EMUSTF Voting Items

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Markets and Reliability Committee  
April 23, 2015

- February 5, 2015 – Discuss package contents and impacts
- By February 25, 2015 – EMUSTF vote on package
- February 26, 2015 – MRC first read
- March 18, 2015 – Further EMUSTF discussion (if required) -- CANCELLED
- March 26, 2015 – MRC vote/MC first read – **Vote deferred**
  - April 1, 2015 - EMUSTF Further Discussion (no changes)
  - April 7, 2015 - EMUSTF Further Discussion (no changes)
  - April 17, 2015 - EMUSTF Further Discussion (no changes)
- ***April 23, 2015 – MRC vote***
- May 21, 2015 – MC vote

- From the Phase 1 Matrix...
  - 5 – LOC Credit Methodology
    1. Use the schedule the resource is committed on for energy as the reference for LOC unless the resource is self-scheduled. If self-scheduled, use the **higher of** the available cost or price curves.
      - Applies to energy, reactive and CT LOC
    2. LOC for reactive services and energy should be an integration up the curve as opposed to  $(LMP - Offer) * Reduced\ MW$ 
      - Applies to energy, reactive and CT LOC
  - 5a – LOC for resources committed in DA but not run in RT
    1. Include startup and no-load costs in the DA offer used to calculate CT LOC.
    2. **Change the eligibility of this payment to resources that meet the defined operational criteria rather than just falling in an asset class.**

- Current rule
  - 3.2.3 (f-1)

“A Market Seller’s **combustion turbine unit or combined cycle unit operating in simple cycle mode** that is pool-scheduled (or self-scheduled, if operating according to Section 1.10.3 (c) hereof).”

- PJM and the IMM agree that this should apply based on unit characteristics, not unit class.
- PJM proposes a (start-up + notification time) maximum of 2 hours and a minimum run time limitation of 2 hours

- Measurement of startup and notification time will be done based on the parameters submitted during the operating day – not the Day Ahead Market parameters
- Resources that have a real-time startup + notification time and minimum run time less than or equal to 2 hours may wait to be called by PJM to operate
  - **If these resources are not called, they will receive a CT LOC payment in 3.2.3(f-1)(ii)**
- Resources that have a real-time startup + notification time or minimum run time greater than 2 hours **WILL NOT** receive a CT LOC payment **UNLESS** they are **prohibited from running in real-time by PJM for a reliability reason**

- Is a 2 hour minimum run time the appropriate value?
  - PJM agreed to go back and review data
- Several generation owners stated a desire to extend the minimum run time parameter to include certain types of larger CT units
- Based on market-based offer data...
  - More than 80% of the CTs units in PJM and 70% of the CT capacity have a minimum run time less than or equal to 2 hours
  - Nearly 90% of the CT units and over 90% of the CT capacity have a minimum run time less than or equal to 4 hours
- 70% of the CT LOC paid during Jan-Mar 2015 was to units that meet PJM's 2x2 criteria
- 85% was paid to units that meet 2x4