PJM RMISTF
Discussion

September 27, 2016
Matrix – Proposal

Proposed Package Matrix (Beacon)

Design Component	Original Proposed Solution	Revised Beacon Proposal
1 – Signal type	B (Reg A and D are dependently produced so that different classes of resources can supplement each other when needed) & D (Reg A and D are dependently produced to optimize system control	Same as PJM
2 - Characteristics	N (Conditional neutrality)	RegD signal should be conditionally neutral around a 15-minute interval. PJM constructed this market specifically acknowledging and incenting the entry of storage resources with 15-minute duration, and the signal should reflect that incentive structure
3 – Product type	Status quo (Combined/bi-directional, symmetric)	Same as PJM
4 – Requirement level	B (Regulation limit should be increased proportionally to reflect load that's been added to PJM since original static values were determined. (EKPC))	Same as PJM. See line 10.
5 – Static/ dynamic	E (Dynamic regulation requirement, with more regulation procured during hours of historical control challenge)	Same as PJM
6 – Op characteristics	Status quo (Neutrality, ramp limitation)	Same as PJM, with the exception that neutrality should not sunset.
7 – X-axis	Status quo (% of performance adjusted MW against the requirement)	Same as PJM
8 – Y-axis	Status quo (Benefits Factor from 2.9 to 0)	Same as PJM

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9 – Static/ dynamic	Status quo (Static; predefined excursion hours)	Same as PJM
10 – Effective MW calc	Status quo (Offer MW * BF * PerfScore; Block (rectangle))	Status quo – relying on the area under the curve would negate PJM's procurement/regulation requirement changes and fail to advance reliability interests
11- Procurement floor	B (Floor at BF = 1)	RegD capped at 80%
12 – Treatment of SS/$0 offers	Status quo (Self Schedule and $0 offer will be subject to a tie breaker based on performance score for BF assignment)	Same as PJM
13 – LOC sched.	Status quo (Cheapest of price or most expensive of cost schedule)	Status Quo
14 – Qual. testing	Status quo	Status Quo; ability to update on monthly basis (Dominion proposal)
15 – Type specific test/score	Status quo (None)	Same as PJM
16 – Perf score comp/weight	Status quo (Units measured on a composite performance score = 1/3 accuracy + 1/3 delay + 1/3 precision (deviation)) & If Precision <75% (0*A + 0*D + 1/3 P)	Same as PJM

Beacon POWER.

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17 – Min part.	Status quo (Maintain a 40% historic performance score (average across last 100 operating hours))	PS modifications should be implemented on a 1 quarter delay. Minimum participation threshold should be 65%
18 – Min price	Status quo (None)	Same as PJM
18A – Change in cleared commit - PS	Status quo (Self de-selection does not have an impact on performance score)	Same as PJM
19 – Subst. factor	Status quo (Mileage ratio is applied to the performance credit)	1) Not a factor contributing to current issues; use of Benefits Factor/MRTS does not comply with Order 755. 2) In the alternative, mileage should be a multiplier in the Performance component, and MRTS a multiplier in capability component of settlements.
20 – Settlement components	Status quo (5-minute pricing, hourly settlement)	Same as PJM
21 - Mileage	Status quo (All movement regardless of direction (same or opposite direction of ACE))	Same as PJM
22 – Offer components	Status quo (Performance and Capability)	Same as PJM
23 – Clearing timing	Status quo (30 minutes before, one hour commitments)	Same as PJM
24 – Commit process	Status quo (None)	Same as PJM

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