

Table of Contents

Preface	i		
SECTION 1 Introduction	1		
Q2 2014 in Review	1		
PJM Market Summary Statistics	3		
PJM Market Background	3		
Conclusions	5		
Role of MMU	8		
Reporting	8		
Monitoring	9		
Market Design	10		
New Recommendations	10		
Total Price of Wholesale Power	10		
Components of Total Price	10		
Section Overviews	12		
Overview: Section 3, “Energy Market”	12		
Overview: Section 4, “Energy Uplift”	18		
Overview: Section 5, “Capacity Market”	21		
Overview: Section 6, “Demand Response”	24		
Overview: Section 7, “Net Revenue”	27		
Overview: Section 8, “Environmental and Renewables”	28		
Overview: Section 9, “Interchange Transactions”	30		
Overview: Section 10, “Ancillary Services”	32		
Overview: Section 12, “Planning”	39		
Overview: Section 13, “FTR and ARRs”	41		
SECTION 2 Recommendations	47		
New Recommendations	47		
Complete List of MMU Recommendations	47		
		Section 3, Energy Market	47
		Section 4, Energy Uplift	48
		Section 5, Capacity	49
		Section 6, Demand Response	50
		Section 7, Net Revenue	50
		Section 8, Environmental	51
		Section 9, Interchange Transactions	51
		Section 10, Ancillary Services	51
		Section 11, Congestion and Marginal Losses	51
		Section 12, Planning	52
		Section 13, FTRs and ARRs	52
		SECTION 3 Energy Market	53
		Overview	54
		Market Structure	54
		Market Behavior	55
		Market Performance	56
		Scarcity	57
		Recommendations	57
		Conclusion	58
		Market Structure	60
		Market Concentration	60
		Ownership of Marginal Resources	61
		Type of Marginal Resources	62
		Supply	63
		Demand	72
		Supply and Demand: Load and Spot Market	80
		Market Behavior	82
		Offer Capping for Local Market Power	82
		Offer Capping for Local Market Power	83
		Markup	85
		Frequently Mitigated Units and Associated Units	86
		Virtual Offers and Bids	89

Generator Offers	97	Confidentiality of Energy Uplift Information	153
Market Performance	99	Energy Uplift Recommendations	153
Markup	99	Credits Recommendations	153
Prices	105	Allocation Recommendations	156
Scarcity	122	Quantifiable Recommendations Impact	160
Emergency procedures	122	April through June 2014 Energy Uplift Charges Decrease	161
SECTION 4 Energy Uplift (Operating Reserves)	127	SECTION 5 Capacity Market	163
Overview	127	Overview	163
Energy Uplift Results	127	RPM Capacity Market	163
Characteristics of Credits	127	Generator Performance	165
Geography of Charges and Credits	127	Recommendations	165
Energy Uplift Issues	128	Conclusion	166
Energy Uplift Recommendations	128	Installed Capacity	169
Recommendations	128	RPM Capacity Market	169
Conclusion	129	Market Structure	169
Energy Uplift	130	Market Conduct	175
Credits and Charges Categories	130	Market Performance	176
Energy Uplift Results	132	Generator Performance	180
Energy Uplift Charges	132	Capacity Factor	180
Operating Reserve Rates	135	Generator Performance Factors	181
Reactive Services Rates	138	Generator Forced Outage Rates	183
Balancing Operating Reserve Determinants	140		
Energy Uplift Credits	141	SECTION 6 Demand Response	193
Characteristics of Credits	141	Overview	193
Types of Units	141	Recommendations	193
Concentration of Energy Uplift Credits	142	Conclusion	194
Economic and Noneconomic Generation	144	PJM Demand Response Programs	195
Geography of Charges and Credits	146	Participation in Demand Response Programs	196
Energy Uplift Issues	148	Economic Program	196
Lost Opportunity Cost Credits	148	Emergency Program	200
Black Start Service Units	151		
Reactive / Voltage Support Units	152		

SECTION 7 Net Revenue	213		
Overview	213		
Net Revenue	213		
Conclusion	213		
Net Revenue	213		
Theoretical Energy Market Net Revenue	214		
New Entrant Combustion Turbine	216		
New Entrant Combined Cycle	217		
New Entrant Coal Plant	218		
New Entrant Diesel	218		
New Entrant Nuclear Plant	219		
New Entrant Wind Installation	219		
New Entrant Solar Installation	220		
SECTION 8 Environmental and Renewable Energy Regulations	221		
Overview	221		
Federal Environmental Regulation	221		
State Environmental Regulation	222		
Emissions Controls in PJM Markets	222		
State Renewable Portfolio Standards	223		
Conclusion	223		
Federal Environmental Regulation	223		
Control of Mercury and Other Hazardous Air Pollutants	223		
Air Quality Standards: Control of NO _x , SO ₂ and O ₃ Emissions Allowances	224		
Emission Standards for Reciprocating Internal Combustion Engines	225		
Regulation of Greenhouse Gas Emissions	226		
Federal Regulation of Environmental Impacts on Water	228		
State Environmental Regulation	228		
New Jersey High Electric Demand Day (HEDD) Rules	228		
State Regulation of Greenhouse Gas Emissions	229		
		Renewable Portfolio Standards	230
		Emissions Controlled Capacity and Renewables in PJM Markets	235
		Emission Controlled Capacity in the PJM Region	235
		Wind Units	236
		Solar Units	238
		SECTION 9 Interchange Transactions	239
		Overview	239
		Interchange Transaction Activity	239
		Interactions with Bordering Areas	239
		Recommendations	240
		Conclusion	241
		Interchange Transaction Activity	241
		Aggregate Imports and Exports	241
		Real-Time Interface Imports and Exports	243
		Real-Time Interface Pricing Point Imports and Exports	245
		Day-Ahead Interface Imports and Exports	247
		Day-Ahead Interface Pricing Point Imports and Exports	249
		Loop Flows	255
		PJM and MISO Interface Prices	259
		PJM and NYISO Interface Prices	262
		Summary of Interface Prices between PJM and Organized Markets	263
		Neptune Underwater Transmission Line to Long Island, New York	264
		Linden Variable Frequency Transformer (VFT) facility	265
		Hudson Direct Current (DC) Merchant Transmission Line	265
		Operating Agreements with Bordering Areas	266
		PJM and MISO Joint Operating Agreement	266
		PJM and New York Independent System Operator Joint Operating Agreement (JOA)	267
		PJM, MISO and TVA Joint Reliability Coordination Agreement (JRCA)	269
		PJM and Progress Energy Carolinas, Inc. Joint Operating Agreement	270

PJM and VACAR South Reliability Coordination Agreement	270	Tier 1 Synchronized Reserve	294
Interface Pricing Agreements with Individual Balancing Authorities	270	Tier 2 Synchronized Reserve Market	298
Other Agreements with Bordering Areas	271	Market Structure	299
Interchange Transaction Issues	271	Market Behavior	302
PJM Transmission Loading Relief Procedures (TLRs)	271	Market Performance	304
Up-To Congestion	273	Non-Synchronized Reserve Market	309
Sham Scheduling	275	Market Structure	309
Elimination of Ontario Interface Pricing Point	275	Secondary Reserve (DASR)	312
PJM and NYISO Coordinated Interchange Transaction Proposal	276	Market Structure	312
PJM and MISO Coordinated Interchange Transaction Proposal	278	Market Conduct	313
Willing to Pay Congestion and Not Willing to Pay Congestion	279	Market Performance	313
Spot Imports	280	Regulation Market	315
Real-Time Dispatchable Transactions	281	Market Design	315
45 Minute Schedule Duration Rule	281	Market Structure	317
		Market Conduct	322
		Market Performance	324
		Black Start Service	326
		Reactive Service	328
SECTION 10 Ancillary Service Markets	283		
Overview	284		
Primary Reserve	284		
Tier 1 Synchronized Reserve	284		
Tier 2 Synchronized Reserve Market	285		
Non-Synchronized Reserve Market	285		
Secondary Reserve	286		
Regulation Market	287		
Black Start Service	287		
Reactive	288		
Ancillary Services Costs per MWh of Load: January through June, 2003 through 2014	288		
Recommendations	289		
Conclusion	289		
Primary Reserve	290		
Market Structure	290		
Price and Cost	292		
		SECTION 11 Congestion and Marginal Losses	331
		Overview	331
		Congestion Cost	331
		Marginal Loss Cost	332
		Energy Cost	333
		Conclusion	333
		Locational Marginal Price (LMP)	333
		Components	333
		Zonal Components	334
		Hub Components	336
		Component Costs	337
		Congestion	337
		Congestion Accounting	337
		Total Congestion	337

Congested Facilities	339	SECTION 13 Financial Transmission and Auction	
Congestion by Facility Type and Voltage	339	Revenue Rights	371
Constraint Duration	343	Overview	371
Constraint Costs	345	Financial Transmission Rights	371
Congestion-Event Summary for MISO Flowgates	347	Auction Revenue Rights	373
Congestion-Event Summary for NYISO Flowgates	349	Recommendations	374
Congestion-Event Summary for the 500 kV System	350	Conclusion	374
Congestion Costs by Physical and Financial Participants	351	Financial Transmission Rights	377
Marginal Losses	352	Market Structure	378
Marginal Loss Accounting	352	Market Behavior	380
Total Marginal Loss Costs	352	Market Performance	382
Energy Costs	354	Revenue Adequacy Issues and Solutions	398
Energy Accounting	354	Auction Revenue Rights	403
Total Energy Costs	355	Market Structure	404
		Market Performance	407
SECTION 12 Generation and Transmission Planning	357		
Overview	357		
Planned Generation and Retirements	357		
Generation and Transmission Interconnection Planning Process	357		
Regional Transmission Expansion Plan (RTEP)	357		
Backbone Facilities	358		
Recommendations	358		
Conclusion	358		
Planned Generation and Retirements	359		
Planned Generation Additions	359		
Planned Retirements	361		
Generation Mix	364		
Generation and Transmission Interconnection Planning Process	367		
Small Generator Interconnection	367		
Interconnection Study Phase	367		
Regional Transmission Expansion Plan (RTEP)	369		
Artificial Island	369		
Backbone Facilities	369		

Figures

SECTION 1 Introduction 1

Figure 1-1 PJM's footprint and its 20 control zones	4
Figure 1-2 PJM reported monthly billings (\$ Billions): January 2008 through June 2014	4

SECTION 3 Energy Market 53

Figure 3-1 Fuel source distribution in unit segments: January through June, 2014	61
Figure 3-2 PJM hourly Energy Market HHI: January through June, 2014	61
Figure 3-3 Average PJM aggregate real-time generation supply curves: January through June of 2013 and 2014	63
Figure 3-4 Distribution of PJM real-time generation plus imports: January through June of 2013 and 2014	66
Figure 3-5 PJM real-time average monthly hourly generation: January 2013 through June 2014	67
Figure 3-6 Distribution of PJM day-ahead supply plus imports: January through June of 2013 and 2014	68
Figure 3-7 PJM day-ahead monthly average hourly supply: January 2013 through June 2014	69
Figure 3-8 Day-ahead and real-time supply (Average hourly volumes): January through June of 2014	70
Figure 3-9 Difference between day-ahead and real-time supply (Average daily volumes): January 2013 through June of 2014	71
Figure 3-10 Map of PJM real-time generation less real-time load by zone: January through June of 2014	71
Figure 3-11 PJM footprint calendar year peak loads: January through June of 1999 to 2014	73
Figure 3-12 PJM peak-load comparison: Tuesday, June 17, 2014, and Tuesday, June 25, 2013	73

Figure 3-13 Distribution of PJM real-time accounting load plus exports: January through June of 2013 and 2014	74
Figure 3-14 PJM real-time monthly average hourly load: January 2013 through June 2014	75
Figure 3-15 PJM heating and cooling degree days: January 2013 through June 2014	76
Figure 3-16 Distribution of PJM day-ahead demand plus exports: January through June of 2013 and 2014	77
Figure 3-17 PJM day-ahead monthly average hourly demand: January 2013 through June 2014	78
Figure 3-18 Day-ahead and real-time demand (Average hourly volumes): January through June of 2014	79
Figure 3-19 Difference between day-ahead and real-time demand (Average daily volumes): January 2013 through June 2014	80
Figure 3-20 Frequently mitigated units and associated units total months eligible: February, 2006 through June, 2014	87
Figure 3-21 Frequently mitigated units and associated units (By month): February, 2006 through June, 2014	88
Figure 3-22 PJM day-ahead aggregate supply curves: 2014 example day	90
Figure 3-23 Hourly number of bid and cleared INC, DEC and Up-to Congestion bids (MW) by month: January 2005 through June 2014	92
Figure 3-24 PJM cleared up-to congestion transactions by type (MW): January 2005 through June 2014	97
Figure 3-25 Average LMP for the PJM Real-Time Energy Market: January through June of 2013 and 2014	106
Figure 3-26 PJM real-time, load-weighted, average LMP: January through June 2013	108
Figure 3-27 PJM real-time, load-weighted, average LMP: January through June 2014	108
Figure 3-28 PJM real-time, load-weighted, average LMP: April through June 2013	109
Figure 3-29 PJM real-time, load-weighted, average LMP: April through June 2014	109

Figure 3-30 PJM real-time, monthly and annual, load-weighted, average LMP: 1999 through June of 2014	110	Figure 5-3 Map of PJM RPM ATSI subzonal LDA	173
Figure 3-31 Spot average fuel price comparison with fuel delivery charges: 2012 through 2014 (\$/MMBtu)	110	Figure 5-4 History of PJM capacity prices: 1999/2000 through 2017/2018	178
Figure 3-32 Average LMP for the PJM Day-Ahead Energy Market: January through June of 2013 and 2014	113	Figure 5-5 Map of RPM capacity prices: 2014/2015 through 2017/2018	179
Figure 3-33 Day-ahead, monthly and annual, load-weighted, average LMP: 2000 through June of 2014	115	Figure 5-6 PJM outages (MW): January 2012 through June 2014	181
Figure 3-34 Real-time hourly LMP minus day-ahead hourly LMP: January through June of 2014	121	Figure 5-7 PJM equivalent outage and availability factors: January through June, 2007 to 2014	183
Figure 3-35 Monthly average of real-time minus day-ahead LMP: January through June of 2014	121	Figure 5-8 Trends in the PJM equivalent demand forced outage rate (EFORd): January through June, 2007 through 2014	183
Figure 3-36 PJM system hourly average LMP: January through June of 2014	122	Figure 5-9 PJM distribution of EFORd data by unit type: January through June 2014	184
		Figure 5-10 PJM EFORd, XEFORd and EFORp: January through June 2014	192
		Figure 5-11 PJM monthly generator performance factors: January through June 2014	192
SECTION 4 Energy Uplift (Operating Reserves)	127		
Figure 4-1 Daily day-ahead operating reserve rate (\$/MWh): 2013 and 2014	136	SECTION 6 Demand Response	193
Figure 4-2 Daily balancing operating reserve reliability rates (\$/MWh): 2013 and 2014	136	Figure 6-1 Demand response revenue by market: 2002 through June, 2014	196
Figure 4-3 Daily balancing operating reserve deviation rates (\$/MWh): 2013 and 2014	137	Figure 6-2 Economic program credits and MWh by month: January, 2010 through June, 2014	198
Figure 4-4 Daily lost opportunity cost and canceled resources rates (\$/MWh): 2013 and 2014	137	Figure 6-3 Distribution of participant event days across ranges of performance levels across the events: January through June, 2014	209
Figure 4-5 Daily reactive transfer interface support rates (\$/MWh): 2013 and 2014	139		
Figure 4-6 Energy uplift charges change from April through June 2013 to April through June 2014 by category	161	SECTION 7 Net Revenue	213
		Figure 7-1 Energy Market net revenue factor trends: 2009 through June 2014	214
SECTION 5 Capacity Market	163	Figure 7-2 Average zonal operating costs: 2009 through June 2014	216
Figure 5-1 Map of PJM Locational Deliverability Areas	172		
Figure 5-2 Map of PJM RPM EMAAC subzonal LDAs	172		

SECTION 8 Environmental and Renewable Energy Regulations	221		
Figure 8-1 Spot monthly average emission price comparison: 2013 and January through June of 2014	230		
Figure 8-2 Average hourly real-time generation of wind units in PJM: January through June, 2014	236		
Figure 8-3 Average hourly day-ahead generation of wind units in PJM: January through June, 2014	237		
Figure 8-4 Marginal fuel at time of wind generation in PJM: January through June, 2014	238		
Figure 8-5 Average hourly real-time generation of solar units in PJM: January through June, 2014	238		
SECTION 9 Interchange Transactions	239		
Figure 9-1 PJM real-time and day-ahead scheduled imports and exports: January through June, 2014	242		
Figure 9-2 PJM real-time and day-ahead scheduled import and export transaction volume history: 1999 through June, 2014	243		
Figure 9-3 PJM's footprint and its external interfaces	254		
Figure 9-4 Real-time and day-ahead daily hourly average price difference (MISO Interface minus PJM/MISO): January through June, 2014	261		
Figure 9-5 Real-time and day-ahead daily hourly average price difference (NY proxy - PJM/NYIS): January through June, 2014	263		
Figure 9-6 PJM, NYISO and MISO real-time and day-ahead border price averages: January through June, 2014	264		
Figure 9-7 Neptune hourly average flow: January through June, 2014	264		
Figure 9-8 Linden hourly average flow: January through June, 2014	265		
Figure 9-9 Hudson hourly average flow: January through June, 2014	266		
Figure 9-10 Credits for coordinated congestion management: January through June, 2014	267		
Figure 9-11 Credits for coordinated congestion management (flowgates): January through June, 2014	268		
Figure 9-12 Credits for coordinated congestion management (Ramapo PARs): January through June, 2014	269		
Figure 9-13 Monthly up-to congestion cleared bids in MWh: January, 2005 through June, 2014	273		
Figure 9-14 Spot import service utilization: January, 2009 through June, 2014	280		
SECTION 10 Ancillary Service Markets	283		
Figure 10-1 PJM RTO geography and primary reserve requirement: January through June 2014	291		
Figure 10-2 Mid-Atlantic Dominion subzone primary reserve MW by source (Daily Averages): January through June 2014	292		
Figure 10-3 RTO subzone primary reserve MW by source (Daily Averages): January through June 2014	292		
Figure 10-4 Daily average market clearing prices for Synchronized Reserve and Non-synchronized Reserve: January through June 2014	293		
Figure 10-5 Daily average tier 1 synchronized reserve supply in the MAD subzone: January through June, 2014	295		
Figure 10-6 Absolute value of the tier 1 estimate minus the actual value by market hour, January through June 2014	297		
Figure 10-7 Cleared Tier 2 Synchronized Reserve by Unit Type, Full RTO Zone, January through June, 2014	299		
Figure 10-8 Monthly average actual vs default synchronized reserve requirements, RTO and MAD: January through June, 2014	300		
Figure 10-9 Mid-Atlantic Dominion Reserve Subzone monthly average synchronized reserve required vs. tier 2 synchronized reserve scheduled MW: January through June 2014	301		
Figure 10-10 RTO Reserve zone monthly average synchronized reserve required vs. tier 2 synchronized reserve scheduled MW: January through June 2014	301		
Figure 10-11 Tier 2 synchronized reserve daily average offer and eligible volume (MW): January through March 2014	303		

Figure 10-12 Mid-Atlantic Dominion Subzone average daily tier 2 synchronized reserve offer by unit type (MW): January through June 2012 – 2014	303	Figure 10-26 PJM Regulation Market daily weighted average market-clearing price, marginal unit opportunity cost and offer price (Dollars per MW): 2014	324
Figure 10-13 RTO Zone average daily tier 2 synchronized reserve offer by unit type (MW): January through June 2012 – 2014	304	Figure 10-27 Comparison of monthly average RegA and RegD RMCP Credits per Effective MW: October 2012 through June 2014	325
Figure 10-14 Spinning events duration distribution curve, January through June 2011 through 2014	309	SECTION 11 Congestion and Marginal Losses	331
Figure 10-15 Daily average MAD subzone Non-Synchronized Reserve Market clearing price and MW purchased: January through June 2014	311	Figure 11-1 PJM monthly total congestion cost (Dollars (Millions)): 2009 through June of 2014	339
Figure 10-16 Daily average RTO Zone Non-Synchronized Reserve Market clearing price and MW purchased: January through June 2014	311	Figure 11-2 Location of the top 10 constraints affecting PJM congestion costs: January through June of 2014	347
Figure 10-17 Daily average components of DASR clearing price, marginal unit offer and LOC: January through June 2014	314	Figure 11-3 PJM monthly marginal loss costs (Dollars (Millions)): January 2009 through June 2014	354
Figure 10-18 Daily average DASR prices and MW by classification: January through June, 2014	314	Figure 11-4 PJM monthly energy costs (Dollars (Millions)): January 2009 through June 2014	356
Figure 10-19 Hourly average performance score by unit type and regulation signal type: January through June 2014	316	SECTION 12 Generation and Transmission Planning	357
Figure 10-20 Daily average marginal benefit factor and mileage ratio: January through June 2014	317	Figure 12-1 Map of PJM unit retirements: 2011 through 2019	362
Figure 10-21 All (RegA and RegD) cleared regulation: Daily average actual cleared MW of regulation, effective cleared MW of regulation, and average performance score: January through June 2014	318	Figure 12-2 PJM capacity (MW) by age (years): at June 30, 2014	365
Figure 10-22 Only RegD cleared regulation: Daily average actual cleared MW of regulation, effective cleared MW of regulation, and average performance score; RegD units: January through June 2014	319	Figure 12-3 PJM Backbone Projects	370
Figure 10-23 PJM monthly CPS1 and BAAL performance: January 2011 through June 2014	320	SECTION 13 Financial Transmission and Auction Revenue Rights	371
Figure 10-24 PJM Regulation Market HHI distribution: January through June 2013 and 2014	321	Figure 13-1 Illustration of INC/DEC FTR forfeiture rule	380
Figure 10-25 Off peak and on peak regulation levels: January through June 2014	322	Figure 13-2 Monthly FTR forfeitures for physical and financial participants: June 2010 through May 2014	381
		Figure 13-3 FTR forfeitures for INCs/DECs and INCs/DECs/UTCs for both the PJM and MMU methods: January 2013 through June 2014	381
		Figure 13-4 Cleared auction volume (MW) as a percent of total FTR cleared volume by calendar month: June 2004 through June 2014	385

Figure 13-5 Long Term, Annual and Monthly FTR Auction bid and cleared volume: June 2003 through June 2014	386
Figure 13-6 Annual FTR Auction clearing price per MW: Planning period 2014 to 2015	389
Figure 13-7 Ten largest positive and negative revenue producing FTR sinks purchased in the Annual FTR Auction: Planning period 2014 to 2015	389
Figure 13-8 Ten largest positive and negative revenue producing FTR sources purchased in the Annual FTR Auction: Planning period 2014 to 2015	390
Figure 13-9 Ten largest positive and negative revenue producing FTR sinks purchased in the Monthly Balance of Planning Period FTR Auctions: planning period 2013 to 2014	391
Figure 13-10 Ten largest positive and negative revenue producing FTR sources purchased in the Monthly Balance of Planning Period FTR Auctions: planning period 2013 to 2014	391
Figure 13-11 Ten largest positive and negative FTR target allocations summed by sink: 2013 to 2014 planning period	392
Figure 13-12 Ten largest positive and negative FTR target allocations summed by source: 2013 to 2014 planning period	392
Figure 13-13 FTR payout ratio by month, excluding and including excess revenue distribution: January 2004 through June 2014	396
Figure 13-15 FTR surplus and the collected Day-Ahead, Balancing and Total congestion: January 2005 through June 2014	402
Figure 13-16 FTR target allocation compared to sources of positive and negative congestion revenue	403
Figure 13-17 Stage 1A Infeasibility Funding Impact	409
Figure 13-18 Annual FTR Auction prices vs. average day-ahead and real-time congestion for all control zones relative to the Western Hub: 2013 to 2014 planning period	410

Tables

SECTION 1 Introduction 1

Table 1-1 PJM Market Summary Statistics, January through June, 2013 and 2014	3
Table 1-2 The Energy Market results were competitive	5
Table 1-3 The Capacity Market results were competitive	6
Table 1-4 The Regulation Market results were competitive	7
Table 1-5 The Synchronized Reserve Markets results were competitive	7
Table 1-6 The Day-Ahead Scheduling Reserve Market results were competitive	8
Table 1-7 The FTR Auction Markets results were competitive	8
Table 1-8 Total price per MWh by category: January through June, 2013 and 2014	12

SECTION 3 Energy Market 53

Table 3-1 The Energy Market results were competitive	53
Table 3-2 PJM hourly Energy Market HHI: January through June, 2013 and 2014	60
Table 3-3 PJM hourly Energy Market HHI (By supply segment): 2013 and 2014	60
Table 3-4 Marginal unit contribution to PJM real-time, load-weighted LMP (By parent company): January through June 2013 and 2014	62
Table 3-5 Marginal resource contribution to PJM day-ahead, load-weighted LMP (By parent company): January through June 2013 and 2014	62
Table 3-6 Type of fuel used (By real-time marginal units): January through June 2013 and January through June 2014	63
Table 3-7 Day-ahead marginal resources by type/fuel: January through June 2013 and 2014	63
Table 3-8 PJM generation (By fuel source (GWh)): January through June of 2013 and 2014	64

Table 3-9 Monthly PJM generation (By fuel source (GWh)): January through June of 2014	64
Table 3-10 PJM real-time average hourly generation and real-time average hourly generation plus average hourly imports: January through June of 2000 through 2014	66
Table 3-11 PJM day-ahead average hourly supply and day-ahead average hourly supply plus average hourly imports: January through June of 2000 through 2014	68
Table 3-12 Day-ahead and real-time supply (MWh): January through June of 2013 and 2014	70
Table 3-13 PJM real-time generation less real-time load by zone (GWh): January through June of 2013 and 2014	72
Table 3-14 Actual PJM footprint peak loads: January through June of 1999 to 2014	72
Table 3-15 PJM real-time average hourly load and real-time average hourly load plus average hourly exports: January through June of 1998 through 2014	75
Table 3-16 PJM day-ahead average demand and day-ahead average hourly demand plus average hourly exports: January through June of 2000 through 2014	77
Table 3-17 Cleared day-ahead and real-time demand (MWh): January through June of 2013 and 2014	79
Table 3-18 Monthly average percentage of real-time self-supply load, bilateral-supply load and spot-supply load based on parent companies: 2013 through 2014	81
Table 3-19 Monthly average percentage of day-ahead self-supply demand, bilateral supply demand, and spot-supply demand based on parent companies: 2013 through 2014	81
Table 3-20 Offer-capping statistics – Energy only: January through June, 2010 to 2014	82
Table 3-21 Offer-capping statistics for energy and reliability: January through June, 2010 to 2014	82
Table 3-22 Real-time offer-capped unit statistics: January through June, 2013 and 2014	83

Table 3-23 Numbers of hours when control zones experienced congestion for 50 or more hours: January through June, 2009 through 2014	83	Table 3-40 PJM cleared up-to congestion export bids by top ten source and sink pairs (MW): January through June of 2013 and 2014	94
Table 3-24 Three pivotal supplier test details for interface constraints: January through June, 2014	84	Table 3-41 PJM cleared up-to congestion wheel bids by top ten source and sink pairs (MW): January through June of 2013 and 2014	95
Table 3-25 Summary of three pivotal supplier tests applied for interface constraints: January through June, 2014	85	Table 3-42 PJM cleared up-to congestion internal bids by top ten source and sink pairs (MW): January through June of 2013 and 2014	95
Table 3-26 Average, real-time marginal unit markup index (By offer price category): January through June 2013 and 2014	86	Table 3-43 Number of PJM offered and cleared source and sink pairs: January 2012 through June 2014	96
Table 3-27 Average day-ahead marginal unit markup index (By offer price category): January through June of 2013 and 2014	86	Table 3-44 PJM cleared up-to congestion transactions by type (MW): January through June of 2013 and 2014	97
Table 3-28 Frequently mitigated units and associated units total months eligible: 2013 and January through June, 2014	87	Table 3-45 Distribution of MW for dispatchable unit offer prices: January through June of 2014	98
Table 3-29 Number of frequently mitigated units and associated units (By month): 2013 and January through June, 2014	88	Table 3-46 Distribution of MW for self scheduled offer prices: January through June of 2014	99
Table 3-30 Frequently mitigated units at risk of retirement: 2013	89	Table 3-47 Markup component of the overall PJM real-time, load-weighted, average LMP by primary fuel type and unit type: January through June 2013 and 2014	101
Table 3-31 Hourly average number of cleared and submitted INCs, DECs by month: January 2013 through June of 2014	90	Table 3-48 Monthly markup components of real-time load-weighted LMP (Unadjusted): January through June 2013 and 2014	101
Table 3-32 Hourly average of cleared and submitted up-to congestion bids by month: January 2013 through June of 2014	91	Table 3-49 Monthly markup components of real-time load-weighted LMP (Adjusted): January through June 2013 and 2014	101
Table 3-33 Hourly average number of cleared and submitted import and export transactions by month: January 2013 through June of 2014	91	Table 3-50 Average real-time zonal markup component (Unadjusted): January through June, 2013 and 2014	102
Table 3-34 Type of day-ahead marginal units: January through June of 2014	91	Table 3-51 Average real-time zonal markup component (Adjusted): January through June, 2013 and 2014	102
Table 3-35 PJM INC and DEC bids by type of parent organization (MW): January through June of 2013 and 2014	93	Table 3-52 Average real-time markup component (By price category, unadjusted): January through June 2013 and 2014	103
Table 3-36 PJM up-to congestion transactions by type of parent organization (MW): January through June of 2013 and 2014	93	Table 3-53 Average real-time markup component (By price category, adjusted): January through June, 2013 and 2014	103
Table 3-37 PJM import and export transactions by type of parent organization (MW): January through June of 2013 and 2014	93	Table 3-54 Markup component of the annual PJM day-ahead, load-weighted, average LMP by primary fuel type and unit type: January through June of 2013 and 2014	103
Table 3-38 PJM virtual offers and bids by top ten locations (MW): January through June of 2013 and 2014	93	Table 3-55 Monthly markup components of day-ahead (Unadjusted), load-weighted LMP: January through June of 2013 and 2014	104
Table 3-39 PJM cleared up-to congestion import bids by top ten source and sink pairs (MW): January through June of 2013 and 2014	94		

Table 3-56 Monthly markup components of day-ahead (Adjusted), load-weighted LMP: January through June of 2013 and 2014	104	Table 3-72 Day-ahead and real-time average LMP (Dollars per MWh): January through June of 2013 and 2014	118
Table 3-57 Day-ahead, average, zonal markup component (Unadjusted): January through June of 2013 and 2014	104	Table 3-73 Day-ahead and real-time average LMP (Dollars per MWh): January through June of 2001 through 2014	119
Table 3-58 Day-ahead, average, zonal markup component (Adjusted): January through June of 2013 and 2014	105	Table 3-74 Frequency distribution by hours of PJM real-time LMP minus day-ahead LMP (Dollars per MWh): January through June of 2007 through 2014	120
Table 3-59 Average, day-ahead markup (By LMP category, unadjusted): January through June of 2013 and 2014	105	Table 3-75 Summary of emergency events declared January through June, 2013 and 2014	122
Table 3-60 Average, day-ahead markup (By LMP category, adjusted): January through June of 2013 and 2014	105	Table 3-76 Description of Emergency Procedures	124
Table 3-61 PJM real-time, average LMP (Dollars per MWh): January through June of 1998 through 2014	107	Table 3-77 PJM declared emergency alerts, warnings and actions: January through June, 2014	125
Table 3-62 PJM real-time, load-weighted, average LMP (Dollars per MWh): January through June of 1998 through 2014	107		
Table 3-63 PJM real-time annual, fuel-cost adjusted, load-weighted average LMP (Dollars per MWh): Six Months over Six Months	111	SECTION 4 Energy Uplift (Operating Reserves)	127
Table 3-64 Change in PJM real-time annual, fuel-cost adjusted, load-weighted average LMP (Dollars per MWh) by Fuel-type: Six Months over Six Months	111	Table 4-1 Day-ahead and balancing operating reserve credits and charges	131
Table 3-65 Components of PJM real-time (Unadjusted), annual, load-weighted, average LMP: January through June, 2013 and 2014	112	Table 4-2 Reactive services, synchronous condensing and black start services credits and charges	131
Table 3-66 Components of PJM real-time (Adjusted), annual, load-weighted, average LMP: January through June, 2013 and 2014	113	Table 4-3 Total energy uplift charges: January through June 2013 and 2014	132
Table 3-67 PJM day-ahead, average LMP (Dollars per MWh): January through June of 2001 through 2014	114	Table 4-4 Energy uplift charges by category: January through June 2013 and 2014	132
Table 3-68 PJM day-ahead, load-weighted, average LMP (Dollars per MWh): January through June of 2001 through 2014	114	Table 4-5 Monthly energy uplift charges: 2013 and 2014	133
Table 3-69 Components of PJM day-ahead, (unadjusted) annual, load-weighted, average LMP (Dollars per MWh): January through June of 2013 and 2014	116	Table 4-6 Day-ahead operating reserve charges: January through June 2013 and 2014	133
Table 3-70 Components of PJM day-ahead, (adjusted) annual, load-weighted, average LMP (Dollars per MWh): January through June of 2013 and 2014	116	Table 4-7 Balancing operating reserve charges: January through June 2013 and 2014	134
Table 3-71 Cleared UTC profitability by source and sink point: January through June of 2013 and 2014	118	Table 4-8 Balancing operating reserve deviation charges: January through June 2013 and 2014	134
		Table 4-9 Additional energy uplift charges: January through June 2013 and 2014	134
		Table 4-10 Regional balancing charges allocation: January through June 2013	135

Table 4-11 Regional balancing charges allocation: January through June 2014	135	Table 4-28 Day-ahead generation scheduled as must run by PJM by category (GWh): 2014	146
Table 4-12 Operating reserve rates (\$/MWh): January through June 2013 and 2014	138	Table 4-29 Geography of regional charges and credits: January through June 2014	147
Table 4-13 Operating reserve rates statistics (\$/MWh): January through June 2014	138	Table 4-30 Geography of reactive services charges: January through June 2014	148
Table 4-14 Local voltage support rates: January through June 2013 and 2014	139	Table 4-31 Monthly lost opportunity cost credits: 2013 and 2014	149
Table 4-15 Balancing operating reserve determinants (MWh): January through June 2013 and 2014	140	Table 4-32 Day-ahead generation from combustion turbines and diesels (GWh): 2013 and 2014	149
Table 4-16 Deviations by transaction type: January through June 2014	140	Table 4-33 Lost opportunity cost credits paid to combustion turbines and diesels by scenario: 2013 and 2014	150
Table 4-17 Energy uplift credits by category: January through June 2013 and 2014	141	Table 4-34 Day-ahead generation (GWh) from combustion turbines and diesels receiving lost opportunity cost credits by value: 2013 and 2014	151
Table 4-18 Energy uplift credits by unit type: January through June 2013 and 2014	142	Table 4-35 Impact on energy market lost opportunity cost credits of rule changes: January through June 2014	156
Table 4-19 Energy uplift credits by unit type: January through June 2014	142	Table 4-36 Current energy uplift allocation	159
Table 4-20 Top 10 energy uplift credits units (By percent of total system): January through June 2013 and 2014	143	Table 4-37 MMU energy uplift allocation proposal	160
Table 4-21 Top 10 units and organizations energy uplift credits: January through June 2014	143	Table 4-38 Current and proposed average energy uplift rate by transaction: 2013 and January through June 2014	160
Table 4-22 Identification of balancing operating reserve credits received by the top 10 units by category and region: January through June 2014	143	SECTION 5 Capacity Market	163
Table 4-23 Daily energy uplift credits HHI: January through June 2014	143	Table 5-1 The Capacity Market results were competitive	163
Table 4-24 Day-ahead and real-time generation (GWh): January through June 2014	144	Table 5-2 RPM related MMU reports, 2013 through June, 2014	168
Table 4-25 Day-ahead and real-time economic and noneconomic generation from units eligible for operating reserve credits (GWh): January through June 2014	144	Table 5-3 PJM installed capacity (By fuel source): January 1, May 31, June 1, and June 30, 2014	169
Table 4-26 Day-ahead and real-time generation receiving operating reserve credits (GWh): January through June 2014	145	Table 5-4 Generation capacity changes: 2007/2008 through 2013/2014	170
Table 4-27 Day-ahead generation scheduled as must run by PJM (GWh): 2013 and 2014	145	Table 5-5 Capacity Market load obligations served: June 1, 2014	170
		Table 5-6 RSI results: 2014/2015 through 2017/2018 RPM Auctions	171
		Table 5-7 RPM imports: 2007/2008 through 2017/2018 RPM Base Residual Auctions	173

Table 5-8 RPM load management statistics by LDA: June 1, 2013 to June 1, 2017	174	SECTION 6 Demand Response	193
Table 5-9 RPM load management cleared capacity and ILR: 2007/2008 through 2017/2018	175	Table 6-1 Overview of demand response programs	195
Table 5-10 RPM load management statistics: June 1, 2007 to June 1, 2017	175	Table 6-2 Economic program registrations on the last day of the month: 2011 through June, 2014	197
Table 5-11 ACR statistics: 2017/2018 RPM Auctions	176	Table 6-3 Maximum economic MW dispatched by registration per month: 2011 through June, 2014	197
Table 5-12 Capacity prices: 2007/2008 through 2017/2018 RPM Auctions	177	Table 6-4 Credits paid to the PJM economic program participants: January through June, 2010 through 2014	198
Table 5-13 RPM revenue by type: 2007/2008 through 2017/2018	178	Table 6-5 PJM Economic program participation by zone: January through June, 2013 and 2014	199
Table 5-14 RPM revenue by calendar year: 2007 through 2018	178	Table 6-6 Settlements submitted by year in the economic program: 2009 through January through June, 2014	199
Table 5-15 RPM cost to load: 2013/2014 through 2017/2018 RPM Auctions	180	Table 6-7 Participants and CSPs submitting settlements in the Economic Program by year: 2009 through January through June, 2014	199
Table 5-16 PJM capacity factor (By unit type (GWh)): January through June of 2013 and 2014	181	Table 6-8 Hourly frequency distribution of economic program MWh reductions and credits: January through June, 2013 and 2014	200
Table 5-17 EAF by unit type: January through June, 2007 through 2014	182	Table 6-9 Frequency distribution of economic program zonal, load-weighted, average LMP (By hours): January through June, 2013 and 2014	200
Table 5-18 EMOF by unit type: January through June, 2007 through 2014	182	Table 6-10 Zonal monthly capacity revenue: January through June, 2014	201
Table 5-19 EPOF by unit type: January through June, 2007 through 2014	182	Table 6-11 Energy efficiency resources by MW: 2012/2013 and 2013/2014 Delivery Year	201
Table 5-20 EFOF by unit type: January through June, 2007 through 2014	182	Table 6-12 Reduction MW by each demand response method: 2013/2014 Delivery Year	202
Table 5-21 PJM EFORD data for different unit types: January through June, 2007 through 2014	184	Table 6-13 On-site generation fuel type by MW: 2013/2014 Delivery Year	202
Table 5-22 OMC Outages: January through June 2014	186	Table 6-15 PJM declared load management events: January through March, 2014	203
Table 5-23 Contribution to EFOF by unit type by cause: January through June 2014	190	Table 6-16 Demand response event performance: January 7, 2014 (Event 1)	204
Table 5-24 Contributions to Economic Outages: January through June 2014	190	Table 6-17 Demand response event performance: January 7, 2014 (Event 2)	204
Table 5-25 PJM EFORD, XEFORD and EFORp data by unit type: January through June 2014	191		

Table 6-18 Demand response event performance: January 8, 2014	205	Table 7-5 PJM energy market net revenue for a new entrant CP (Dollars per installed MW-year): January through June, 2013 and 2014	218
Table 6-19 Demand response event performance: January 22, 2014	205	Table 7-6 PJM energy market net revenue for a new entrant DS (Dollars per installed MW-year): January through June, 2013 and 2014	219
Table 6-20 Demand response event performance: January 23, 2014 (Event 1)	206	Table 7-7 PJM energy market net revenue for a new entrant nuclear plant (Dollars per installed MW-year): January through June, 2013 and 2014	219
Table 6-21 Demand response event performance: January 23, 2014 (Event 2)	206	Table 7-8 Energy market net revenue for a wind installation (Dollars per installed MW-year): January through June, 2013 and 2014	220
Table 6-22 Demand response event performance: January 24, 2014	207	Table 7-9 PSEG energy market net revenue for a solar installation (Dollars per installed MW-year): January through June, 2013 and 2014	220
Table 6-23 Demand response event performance: March 4, 2014	207		
Table 6-24 Load management event performance: January through June, 2014 Aggregated	208	SECTION 8 Environmental and Renewable Energy Regulations	221
Table 6-25 Distribution of participant event days and nominated MW across ranges of performance levels across the events: January through June, 2014	208	Table 8-1 Interim and final targets for CO ₂ emissions goals for PJM states (lbs/MWh)	227
Table 6-26 Non-reporting locations and nominated ICAP on 2014 event days	210	Table 8-2 HEDD maximum NO _x emission rates	228
Table 6-27 Distribution of registrations and associated MW in the emergency full option across ranges of minimum dispatch prices effective for the 2013/2014 Delivery Year	210	Table 8-3 RGGI CO ₂ allowance auction prices and quantities in short tons and metric tonnes: 2009-2011 and 2012-2014 Compliance Periods	229
Table 6-29 Emergency revenue by event: 2014	212	Table 8-4 Renewable standards of PJM jurisdictions to 2024	231
Table 6-30 Penalty charges per zone: 2012/2013 and 2013/2014 Delivery Years	212	Table 8-5 Pennsylvania weighted average AEC price and AEC price range for 2010 to 2014 Delivery Years	231
SECTION 7 Net Revenue	213	Table 8-6 Solar renewable standards of PJM jurisdictions 2014 to 2024	232
Table 7-1 Average zonal operating costs: January through June, 2014	216	Table 8-7 Additional renewable standards of PJM jurisdictions 2014 to 2024	232
Table 7-2 Run hours: January through June, 2013 and 2014	217	Table 8-8 Renewable alternative compliance payments in PJM jurisdictions: As of June 30, 2014	233
Table 7-3 Energy Market net revenue for a new entrant gas-fired CT under economic dispatch (Dollars per installed MW-year): January through June, 2013 and 2014	217	Table 8-9 Renewable generation by jurisdiction and renewable resource type (GWh): January through June 2014	233
Table 7-4 PJM energy market net revenue for a new entrant gas-fired CC under economic dispatch (Dollars per installed MW-year): January through June, 2013 and 2014	218		

Table 8-10 PJM renewable capacity by jurisdiction (MW), on June 30, 2014	234	Table 9-8 Day-Ahead scheduled gross import volume by interface (GWh): January through June, 2014	249
Table 8-11 Renewable capacity by jurisdiction, non-PJM units registered in GATS (MW), on June 30, 2014	234	Table 9-9 Day-Ahead scheduled gross export volume by interface (GWh): January through June, 2014	249
Table 8-12 SO ₂ emission controls (FGD) by fuel type (MW), as of June 30, 2014	235	Table 9-10 Day-ahead scheduled net interchange volume by interface pricing point (GWh): January through June, 2014	251
Table 8-13 NO _x emission controls by fuel type (MW), as of June 30, 2014	235	Table 9-11 Up-to congestion scheduled net interchange volume by interface pricing point (GWh): January through June, 2014	251
Table 8-14 Particulate emission controls by fuel type (MW), as of June 30, 2014	235	Table 9-12 Day-ahead scheduled gross import volume by interface pricing point (GWh): January through June, 2014	252
Table 8-15 CO ₂ , SO ₂ and NO _x emissions by month (short and metric tons), by PJM units, January through June, 2014	236	Table 9-13 Up-to congestion scheduled gross import volume by interface pricing point (GWh): January through June, 2014	252
Table 8-16 Capacity factor of wind units in PJM: January through June 2014	236	Table 9-14 Day-ahead scheduled gross export volume by interface pricing point (GWh): January through June, 2014	253
Table 8-17 Capacity factor of wind units in PJM by month, 2013 and January through June, 2014	237	Table 9-15 Up-to congestion scheduled gross export volume by interface pricing point (GWh): January through June, 2014	253
SECTION 9 Interchange Transactions	239	Table 9-16 Active interfaces: January through June, 2014	254
Table 9-1 Real-time scheduled net interchange volume by interface (GWh): January through June, 2014	244	Table 9-17 Active pricing points: January through June, 2014	254
Table 9-2 Real-time scheduled gross import volume by interface (GWh): January through June, 2014	244	Table 9-18 Net scheduled and actual PJM flows by interface (GWh): January through June, 2014	256
Table 9-3 Real-time scheduled gross export volume by interface (GWh): January through June, 2014	245	Table 9-19 Net scheduled and actual PJM flows by interface pricing point (GWh): January through June, 2014	257
Table 9-4 Real-time scheduled net interchange volume by interface pricing point (GWh): January through June, 2014	246	Table 9-20 Net scheduled and actual PJM flows by interface pricing point (GWh) (Adjusted for IMO Scheduled Interfaces): January through June, 2014	257
Table 9-5 Real-time scheduled gross import volume by interface pricing point (GWh): January through June, 2014	247	Table 9-21 Net scheduled and actual PJM flows by interface and interface pricing point (GWh): January through June, 2014	258
Table 9-6 Real-time scheduled gross export volume by interface pricing point (GWh): January through June, 2014	247	Table 9-22 Net scheduled and actual PJM flows by interface pricing point and interface (GWh): January through June, 2014	259
Table 9-7 Day-Ahead scheduled net interchange volume by interface (GWh): January through June, 2014	248	Table 9-23 Distribution of hourly flows that are consistent and inconsistent with price differences between PJM and MISO: January through June, 2014	262
		Table 9-24 Distribution of hourly flows that are consistent and inconsistent with price differences between PJM and NYISO: January through June, 2014	263

Table 9-25 Real-time average hourly LMP comparison for Duke, PEC and NCMPA: January through June, 2014	270	Table 10-5 MW credited, price, cost, and all-in price for primary reserve and its component products, RTO Reserve Zone, January through June, 2014	294
Table 9-26 Day-ahead average hourly LMP comparison for Duke, PEC and NCMPA: January through June, 2014	270	Table 10-6 Monthly average market solution Tier 1 Synchronized Reserve identified hourly, January through June, 2014	295
Table 9-27 PJM MISO, and NYISO TLR procedures: January, 2011 through June, 2014	272	Table 10-7 MAD subzone ASO tier 1 estimate biasing, January through June, 2014	296
Table 9-28 Number of TLRs by TLR level by reliability coordinator: January through June, 2014	273	Table 10-8 Price and cost of tier 1 synchronized reserve attributable to a non-synchronized reserve price above zero; January through June, 2014	297
Table 9-29 Monthly volume of cleared and submitted up-to congestion bids: January, 2009 through June, 2014	274	Table 10-9 Tier 1 synchronized reserve spinning event response costs, January through June, 2014	298
Table 9-29 Monthly volume of cleared and submitted up-to congestion bids: January, 2009 through June, 2014 (continued)	275	Table 10-10 Default Tier 2 Synchronized Reserve Markets required MW, RTO Zone and Mid-Atlantic Dominion Subzone	300
Table 9-30 ITSCED/real-time LMP - PJM/NYIS interface price comparison (all intervals): January through June, 2014	277	Table 10-11 Three Pivotal Supplier Test Results for the RTO Zone and MAD Subzone, January through June, 2014	302
Table 9-31 ITSCED/real-time LMP - PJM/NYIS interface price comparison (by interval): January through June, 2014	277	Table 10-12 Mid-Atlantic Dominion Subzone, weighted SRMCP and cleared MW: January through June 2014	305
Table 9-32 ITSCED/real-time LMP - PJM/MISO interface price comparison (all intervals): January through June, 2014	278	Table 10-13 RTO zone weighted SRMCP and cleared MW: January through June, 2014	305
Table 9-33 ITSCED/real-time LMP - PJM/MISO interface price comparison (by interval): January through June, 2014	279	Table 10-14 Full RTO, RTO, Mid-Atlantic Subzone Tier 2 synchronized reserve MW, credits, price, and cost: January through June, 2014	306
Table 9-34 Monthly uncollected congestion charges: January, 2010 through June, 2014	280	Table 10-15 Synchronized reserve events greater than 10 minutes, Tier 2 Response Compliance, RTO Reserve Zone, January through June 2014	306
SECTION 10 Ancillary Service Markets	283	Table 10-16 Spinning events, 2011 through 2014	308
Table 10-1 The Regulation Market results were competitive	283	Table 10-17 Non-synchronized reserve market HHIs, January through June 2014	310
Table 10-2 The Synchronized Reserve Markets results were competitive	283	Table 10-18 Non-synchronized reserve market pivotal supply test, January through June 2014	310
Table 10-3 The Day-Ahead Scheduling Reserve Market results were competitive	283	Table 10-19 Full RTO, RTO, Mid-Atlantic Subzone non-synchronized reserve MW, credits, price, and cost: January through June, 2014	312
Table 10-4 History of ancillary services costs per MWh of Load: January through June, 2003 through 2014	288	Table 10-20 PJM Day-Ahead Scheduling Reserve Market MW and clearing prices: January 2012 Through June 2014	313

Table 10-21 PJM regulation capability, daily offer and hourly eligible: January through June 2014	317	SECTION 11 Congestion and Marginal Losses	331
Table 10-22 PJM regulation provided by coal units	318	Table 11-1 PJM real-time, load-weighted average LMP components (Dollars per MWh): January through June of 2009 through 2014	333
Table 10-23 Impact on PJM Regulation Market of currently regulating units scheduled to retire through 2015	318	Table 11-2 PJM day-ahead, load-weighted average LMP components (Dollars per MWh): January through June of 2009 through 2014	334
Table 10-24 PJM Regulation Market required MW and ratio of eligible supply to requirement: January through June, 2013 and 2014	320	Table 11-3 Zonal and PJM real-time, load-weighted average LMP components (Dollars per MWh): January through June of 2013 and 2014	334
Table 10-25 PJM cleared regulation HHI: January through June 2013 and 2014	321	Table 11-4 Zonal and PJM day-ahead, load-weighted average LMP components (Dollars per MWh): January through June of 2013 and 2014	335
Table 10-26 Regulation market monthly three pivotal supplier results: January through June, 2012 through 2014	321	Table 11-5 Hub real-time, load-weighted average LMP components (Dollars per MWh): January through June of 2013 and 2014	336
Table 10-27 Regulation sources: spot market, self-scheduled, bilateral purchases: January through June 2013 and 2014	323	Table 11-6 Hub day-ahead, load-weighted average LMP components (Dollars per MWh): January through June of 2013 and 2014	336
Table 10-28 Regulation sources by year: January through June, 2010 through 2014	323	Table 11-7 Total PJM costs by component (Dollars (Millions)): January through June of 2009 through 2014	337
Table 10-29 PJM Regulation Market monthly weighted average market-clearing price, marginal unit opportunity cost and offer price (Dollars per MW): 2014	324	Table 11-8 Total PJM congestion (Dollars (Millions)): January through June of 2008 through 2014	337
Table 10-30 Total regulation charges: January through June, 2013 and 2014	324	Table 11-9 Total PJM congestion costs by accounting category (Dollars (Millions)): January through June of 2008 through 2014	338
Table 10-31 Components of regulation cost: 2014	325	Table 11-10 Total PJM congestion costs by accounting category by market (Dollars (Millions)): January through June of 2008 through 2014	338
Table 10-32 Comparison of average price and cost for PJM Regulation, January through June, 2008 through 2014	325	Table 11-11 Monthly PJM congestion costs by market (Dollars (Millions)): January through June of 2013 and 2014	338
Table 10-33 Black start revenue requirement charges: January through June, 2009 through 2014	326	Table 11-12 Congestion summary (By facility type): January through June of 2014	340
Table 10-34 Black start zonal charges for network transmission use: January through June, 2013 and 2014	327	Table 11-13 Congestion summary (By facility type): January through June of 2013	340
Table 10-35 Revenue Requirement Estimate: Delivery Years 2014-2015 through 2016-2017	328	Table 11-14 Congestion event hours (Day-Ahead against Real-Time): January through June of 2013 and 2014	341
Table 10-36 NERC CIP Costs: January through June 2014	328	Table 11-15 Congestion event hours (Real-Time against Day-Ahead): January through June of 2013 and 2014	341
Table 10-37 Reactive zonal charges for network transmission use: January through June 2013 and 2014	329		

Table 11-16 Congestion summary (By facility voltage): January through June of 2014	342	Table 11-32 Total PJM marginal loss costs by accounting category by market (Dollars (Millions)): January through June of 2009 through 2014	353
Table 11-17 Congestion summary (By facility voltage): January through June of 2013	342	Table 11-33 Monthly marginal loss costs by market (Dollars (Millions)): January through June of 2013 and 2014	353
Table 11-18 Top 25 constraints with frequent occurrence: January through June of 2013 and 2014	343	Table 11-34 Marginal loss credits (Dollars (Millions)): January through June of 2009 through 2014	354
Table 11-19 Top 25 constraints with largest year-to-year change in occurrence: January through June of 2013 and 2014	344	Table 11-35 Total PJM costs by energy component (Dollars (Millions)): January through June of 2009 through 2014	355
Table 11-20 Top 25 constraints affecting PJM congestion costs (By facility): January through June of 2014	345	Table 11-36 Total PJM energy costs by accounting category (Dollars (Millions)): January through June of 2009 through 2014	355
Table 11-21 Top 25 constraints affecting PJM congestion costs (By facility): January through June of 2013	346	Table 11-37 Total PJM energy costs by market category (Dollars (Millions)): January through June of 2009 through 2014	356
Table 11-22 Top 20 congestion cost impacts from MISO flowgates affecting PJM dispatch (By facility): January through June of 2014	348	Table 11-38 Monthly energy costs by market type (Dollars (Millions)): January through June of 2013 and 2014	356
Table 11-23 Top 20 congestion cost impacts from MISO flowgates affecting PJM dispatch (By facility): January through June of 2013	349	SECTION 12 Generation and Transmission Planning	357
Table 11-24 Top two congestion cost impacts from NYISO flowgates affecting PJM dispatch (By facility): January through June of 2014	350	Table 12-1 Year-to-year capacity additions from PJM generation queue: Calendar years 2000 through 2014	359
Table 11-25 Top two congestion cost impacts from NYISO flowgates affecting PJM dispatch (By facility): January through June of 2013	350	Table 12-2 Queue comparison by expected completion year (MW): March 31, 2014 vs. June 30, 2014	360
Table 11-26 Regional constraints summary (By facility): January through June of 2014	350	Table 12-3 Change in project status (MW): March 31, 2014 vs. June 30, 2014	360
Table 11-27 Regional constraints summary (By facility): January through June of 2013	351	Table 12-4 Capacity in PJM queues (MW): At June 30, 2014	360
Table 11-28 Congestion cost by type of participant: January through June of 2014	351	Table 12-5 Queue capacity by control zone and LDA (MW) at June 30, 2014	361
Table 11-29 Congestion cost by type of participant: January through June of 2013	352	Table 12-6 Summary of PJM unit retirements (MW): 2011 through 2019	362
Table 11-30 Total PJM costs by loss component (Dollars (Millions)): January through June of 2009 through 2014	352	Table 12-7 Planned deactivations of PJM units, as of June 30, 2014	363
Table 11-31 Total PJM marginal loss costs by accounting category (Dollars (Millions)): January through June of 2009 through 2014	353	Table 12-8 Retirements by fuel type, 2011 through 2019	363
		Table 12-9 Unit deactivations between January 1, 2014 and June 30, 2014	363

Table 12-10 Existing PJM capacity: At June 30, 2014 (By zone and unit type (MW))	364	Table 13-10 Monthly Balance of Planning Period FTR Auction cleared, weighted-average, buy-bid price per period (Dollars per MW): January through June 2014	387
Table 12-11 PJM capacity (MW) by age (years): at June 30, 2014	364	Table 13-11 FTR profits by organization type and FTR direction: January through June 2014	387
Table 12-12 Comparison of generators 40 years and older with slated capacity additions (MW) through 2024, as of June 30, 2014	366	Table 13-12 Monthly FTR profits by organization type: January through June 2014	387
Table 12-13 PJM generation planning process	367	Table 13-13 Annual FTR Auction revenue: Planning period 2014 to 2015	388
Table 12-14 Milestone due at time of withdrawal	368	Table 13-14 Monthly Balance of Planning Period FTR Auction revenue: January through June 2014	390
Table 12-15 Average project queue times (days) at June 30, 2014	368	Table 13-15 Total annual PJM FTR revenue detail (Dollars (Millions)): Planning periods 2012 to 2013 and 2013 to 2014	394
Table 12-16 PJM generation planning summary: at June 30, 2014	368	Table 13-16 Unallocated congestion charges: Planning period 2012 to 2013 and 2013 to 2014	395
Table 12-17 Projects where transmission owner and developer are part of same company	369	Table 13-17 Monthly FTR accounting summary (Dollars (Millions)): Planning period 2013 to 2014 and 2014 to 2015	395
SECTION 13 Financial Transmission and Auction Revenue Rights	371	Table 13-18 PJM reported FTR payout ratio by planning period	396
Table 13-1 The FTR Auction Markets results were competitive	371	Table 13-19 End of planning period FTR uplift charge example	397
Table 13-2 Annual FTR Auction patterns of ownership by FTR direction: Planning period 2014 to 2015	379	Table 13-20 PJM Reported and Actual Monthly Payout Ratios: Planning period 2013 to 2014	398
Table 13-3 Monthly Balance of Planning Period FTR Auction patterns of ownership by FTR direction: January through June 2014	380	Table 13-21 Example of FTR payouts from portfolio netting and without portfolio netting	400
Table 13-4 Daily FTR net position ownership by FTR direction: January through June 2014	380	Table 13-22 Monthly positive and negative target allocations and payout ratios with and without hourly netting: Planning period 2012 to 2013 and 2013 to 2014	400
Table 13-5 Annual FTR Auction market volume: Planning period 2014 to 2015	383	Table 13-23 Example implementation of counter flow adjustment method	401
Table 13-6 Monthly Balance of Planning Period FTR Auction market volume: January through June 2014	384	Table 13-24 Counter flow FTR payout ratio adjustment impacts	402
Table 13-7 Monthly Balance of Planning Period FTR Auction buy-bid, bid and cleared volume (MW per period): January through June 2014	384	Table 13-25 Top 10 principal binding transmission constraints limiting the Annual ARR Allocation: Planning period 2014 to 2015	405
Table 13-8 Secondary bilateral FTR market volume: Planning periods 2012 to 2013 and 2013 to 2014	385	Table 13-26 ARRs and ARR revenue automatically reassigned for network load changes by control zone: June 1, 2012, through May 31, 2014	406
Table 13-9 Annual FTR Auction weighted-average cleared prices (Dollars per MW): Planning period 2014 to 2015	386		

Table 13-27 Incremental ARR allocation volume: Planning periods 2008 to 2009 through 2014 to 2015	406
Table 13-28 IARRs allocated for 2014 to 2015 Annual ARR Allocation for RTEP upgrades	406
Table 13-29 Residual ARR allocation volume and target allocation	407
Table 13-30 Annual ARR Allocation volume: planning periods 2012 to 2013 and 2013 to 2014	407
Table 13-31 Constraints with capacity increases due to Stage 1A infeasibility for the 2014 to 2015 ARR Allocation	408
Table 13-32 Projected ARR revenue adequacy (Dollars (Millions)): Planning periods 2012 to 2013 and 2013 to 2014	410
Table 13-33 ARR and self-scheduled FTR congestion offset (in millions) by control zone: 2013 to 2014 planning period	411
Table 13-34 ARR and FTR congestion offset (in millions) by control zone: 2013 to 2014 planning period	412
Table 13-35 ARR and FTR congestion hedging (in millions): Planning periods 2012 to 2013 and 2013 to 2014	413