



# State of the Market Report 2006

OPSI Call  
Issues

Joseph Bowring  
Market Monitor

May 14, 2007

- Three pivotal supplier test
  - Details for 2006
  - Compare with conduct/impact
- Spot market share of energy market
- LMP components



Table 2-7 Three pivotal supplier results summary for regional constraints: March 1, to December 31, 2006

Constraint	Period	Total Tests Applied	Tests with One or More Passing Owners	Percent Tests with One or More Passing Owners	Tests with One or More Failing Owners	Percent Tests with One or More Failing Owners
5004/5005 Interface	Peak	863	705	82%	253	29%
	Off Peak	209	183	88%	53	25%
Bedington - Black Oak	Peak	2,622	2,072	79%	889	34%
	Off Peak	3,254	2,708	83%	980	30%
Kammer	Peak	627	520	83%	194	31%
	Off Peak	925	763	82%	302	33%
AP South	Peak	491	327	67%	229	47%
	Off Peak	180	116	64%	99	55%
West	Peak	852	846	99%	28	3%
	Off Peak	566	541	96%	47	8%



Table 2-8 Three pivotal supplier test details for regional constraints:  
March 1, to December 31, 2006

Constraint	Period	Average Constraint Relief (MW)	Average Effective Supply (MW)	Average Number Owners	Average Number Owners Passing	Average Number Owners Failing
5004/5005 Interface	Peak	110	397	17	14	3
	Off Peak	107	376	17	14	3
Bedington - Black Oak	Peak	57	220	12	9	3
	Off Peak	63	239	12	9	2
Kammer	Peak	83	285	17	13	4
	Off Peak	77	301	15	12	3
AP South	Peak	101	271	16	10	6
	Off Peak	97	306	15	9	6
West	Peak	138	829	17	17	0
	Off Peak	140	739	16	15	1



Table 2-11 Three pivotal supplier results summary for constraints located in the PSEG Control Zone: March 1, to December 31, 2006

Constraint	Period	Total Tests Applied	Tests with One or More Passing Owners	Percent Tests with One or More Passing Owners	Tests with One or More Failing Owners	Percent Tests with One or More Failing Owners
Bergen - Hoboken	Peak	84	0	0%	84	100%
	Off Peak	62	0	0%	62	100%
Branchburg - Flagtown	Peak	496	30	6%	474	96%
	Off Peak	39	1	3%	39	100%
Branchburg - Readington	Peak	1,166	95	8%	1,102	95%
	Off Peak	280	16	6%	276	99%
Brunswick - Edison	Peak	524	0	0%	524	100%
	Off Peak	129	0	0%	129	100%
Cedar Grove - Clifton	Peak	1,083	308	28%	844	78%
	Off Peak	597	73	12%	571	96%
Cedar Grove - Roseland	Peak	1,214	484	40%	803	66%
	Off Peak	853	440	52%	474	56%
Edison - Meadow Rd	Peak	1,466	0	0%	1,466	100%
	Off Peak	207	0	0%	207	100%



Table 2-12 Three pivotal supplier test details for constraints located in the PSEG Control Zone: March 1, to December 31, 2006

Constraint	Period	Average Constraint Relief (MW)	Average Effective Supply (MW)	Average Number Owners	Average Number Owners Passing	Average Number Owners Failing
Bergen - Hoboken	Peak	17	60	1	0	1
	Off Peak	20	57	1	0	1
Branchburg - Flagtown	Peak	35	35	4	1	4
	Off Peak	35	28	3	0	3
Branchburg - Readington	Peak	30	67	4	1	4
	Off Peak	20	73	3	0	3
Brunswick - Edison	Peak	10	108	1	0	1
	Off Peak	11	82	1	0	1
Cedar Grove - Clifton	Peak	34	122	8	3	5
	Off Peak	32	119	6	1	6
Cedar Grove - Roseland	Peak	57	191	11	6	5
	Off Peak	67	244	12	8	4
Edison - Meadow Rd	Peak	8	55	1	0	1
	Off Peak	7	55	1	0	1



Table 2-5 Annual offer-capping statistics: Calendar years 2002 to 2006

	Real Time		Day Ahead	
	Unit Hours Capped	MW Capped	Unit Hours Capped	MW Capped
2002	1.6%	0.3%	0.7%	0.1%
2003	1.1%	0.3%	0.4%	0.2%
2004	1.3%	0.4%	0.6%	0.2%
2005	1.8%	0.4%	0.2%	0.1%
2006	1.0%	0.2%	0.4%	0.1%



Table 2-6 Offer-capped unit statistics: Calendar year 2006

Percentage of Offer-Capped Run Hours	2006 Minimum Offer-Capped Hours					
	500	400	300	200	100	1
90%	3	3	3	4	6	6
80%	4	9	10	15	20	25
75%	4	10	11	18	29	46
70%	4	10	11	20	37	72
60%	4	11	13	25	47	108
50%	4	13	15	27	49	122
25%	4	15	18	32	55	158
10%	4	15	18	35	67	212



- Three pivotal supplier test
  - Local market power only
  - Real time check of local market structures
  - Real time system conditions as seen by operators
  - Generator cost curves
- Conduct/impact
  - Aggregate and local market power
  - Lag in application
  - RTO/MMU calculation of caps
  - High mark ups permitted



Table 2-54 Monthly average percentage of real-time self-supply load, bilateral supply load and spot supply load: Calendar years 2005 to 2006

	2005			2006			Difference in Percentage Points		
	Bilateral Contract	Spot	Self-Supply	Bilateral Contract	Spot	Self-Supply	Bilateral Contract	Spot	Self-Supply
Jan	91.0%	7.9%	1.1%	92.4%	6.5%	1.0%	1.4%	(1.4%)	(0.1%)
Feb	90.9%	8.0%	1.1%	92.5%	6.5%	1.0%	1.6%	(1.5%)	(0.1%)
Mar	90.8%	8.0%	1.2%	92.6%	6.4%	1.0%	1.8%	(1.6%)	(0.2%)
Apr	91.0%	7.7%	1.3%	92.7%	6.2%	1.0%	1.7%	(1.5%)	(0.3%)
May	91.7%	7.2%	1.1%	92.7%	6.2%	1.1%	1.0%	(1.0%)	0.0%
Jun	93.0%	6.2%	0.8%	93.2%	5.8%	1.0%	0.2%	(0.4%)	0.2%
Jul	93.1%	6.0%	0.8%	93.3%	5.8%	0.9%	0.2%	(0.2%)	0.1%
Aug	93.1%	6.0%	0.8%	93.2%	6.0%	0.8%	0.1%	0.0%	0.0%
Sep	92.9%	6.2%	1.0%	92.8%	6.1%	1.0%	(0.1%)	(0.1%)	0.0%
Oct	92.4%	6.7%	0.9%	92.2%	6.7%	1.1%	(0.2%)	0.0%	0.2%
Nov	92.0%	7.1%	0.9%	92.6%	6.3%	1.1%	0.6%	(0.8%)	0.2%
Dec	92.3%	6.9%	0.9%	92.6%	6.4%	1.0%	0.3%	(0.5%)	0.1%
Annual	92.1%	6.9%	1.0%	92.8%	6.2%	1.0%	0.7%	(0.7%)	0.0%



Table 2-50 Components of annual PJM load-weighted, average LMP: Calendar year 2006

Element	Contribution to LMP	Percent
Coal	\$20.67	38.7%
Gas	\$17.23	32.3%
Oil	\$2.65	5.0%
Uranium	\$0.00	0.0%
Wind	\$0.01	0.0%
NOX	\$1.53	2.9%
SO2	\$5.39	10.1%
VOM	\$2.67	5.0%
Markup	\$1.54	2.9%
Constrained Off	\$1.06	2.0%
NA	\$0.59	1.1%