

Monitoring Analytics, LLC 2621 Van Buren Avenue, Suite 160 Valley Forge Corporate Center

Eagleville, PA 19403 Phone: 610-271-8050 Fax: 610-271-8057

DATE: September 8, 2023

TO: PJM Market Participants

FROM: PJM and IMM

SUBJECT: Temporary Operating Parameter Limit (PLS) Exceptions due to Pipeline

Restrictions

Background

The PJM rules allow units to submit temporary exceptions that reflect pipeline restrictions. These exceptions should be submitted and used when pipelines impose restrictions that units cannot meet with their approved unit specific operating parameter limits.

As part of the temporary exception submittal, units are required to provide documentation in support of the exception request. These requests occur with regular frequency when pipeline capacity is constrained.

PJM and the IMM believe that it would be helpful to have clear guidelines regarding the type of documentation and level of clarity needed to justify temporary exception requests due to pipeline restrictions.

These requests may impact the following parameters: minimum run time, notification time and turn down ratio.

Guidelines for temporary exceptions due to pipeline restrictions.

Minimum run time extensions: Units required to nominate gas ratably should request a PLS exception for a 24 hour minimum run time. If the unit is not committed day-ahead and has not been committed prior to the NAESB evening cycle, the minimum run time should be reduced to match the hours remaining in the nomination cycles. Table 1 shows the expected hourly minimum run times based on the NAESB nomination cycles.

Table 1. Expected minimum run times in real time

Hour	HE1	HE2	HE3	HE4	HE5	HE6	HE7	HE8	HE9	HE10	HE11	HE12
Min Run Time	19	19	19	19	19	19	19	19	19	19	15	15
Nearest Cycle	ID1	ID1	ID1	ID1	ID1	ID1	ID1	ID1	ID1	ID1	ID2	ID2
Hour	HE13	HE14	HE15	HE16	HE17	HE18	HE19	HE20	HE21	HE22	HE23	HE24
Hour Min Run Time	HE13 15	HE14 15	HE15	HE16 11	HE17 11	HE18 11	HE19 11	HE20 19	HE21 19	HE22 19	HE23 19	HE24 19

Documentation guideline: Public pipeline notice or nonpublic bilateral communication from pipeline/LDC that specifies the minimum number of hours that the unit(s) must run. For example, if a unit is required to nominate and consume gas ratably over a period of 24 hours. The pipeline restriction must be binding and enforced.

Notification time extensions: Units required to nominate gas hours in advance before coming online should request a PLS exception for extending the notification time.

Documentation guideline: Public pipeline notice or nonpublic bilateral communication from pipeline/LDC that specifies:

- 1) The numbers of hours that the pipeline/LDC needs to be notified in advance before the unit can start consuming gas.
- 2) The restriction by the pipeline that units must nominate per the NAESB nomination cycles and gas can only be consumed per the NAESB nomination cycles gas flow start times.

The pipeline restriction must be binding and enforced.

Units required to nominate and consume gas per the NAESB cycles should not exceed the hourly notification times in Table 2 unless the pipelines are enforcing a more restrictive constraint and should be shorter if the pipelines allow for more flexibility.

Table 2. Expected notification times

Hour	HE1	HE2	HE3	HE4	HE5	HE6	HE7	HE8	HE9	HE10	HE11	HE12
Notification Time	15	14	13	12	11	10	9	8	7	6	9	8
Time On (If Called)	15:00	15:00	15:00	15:00	15:00	15:00	15:00	15:00	15:00	15:00	19:00	19:00
Nearest Cycle	ID1	ID2	ID2									
Hour	HE13	HE14	HE15	HE16	HE17	HE18	HE19	HE20	HE21	HE22	HE23	HE24
Notification Time	7	6	9	8	7	6	5	20	19	18	17	16
Time On (If Called)	19:00	19:00	23:00	23:00	23:00	23:00	23:00	15:00	15:00	15:00	15:00	15:00
Nearest Cycle	ID2	ID2	ID3	ID3	ID3	ID3	ID3	ID1	ID1	ID1	ID1	ID1

Turn down ratio reductions: Units for which the dispatchable range is restricted should request a PLS exception for reducing their turn down ratio.

Documentation guideline: Public pipeline notice or nonpublic bilateral communication from pipeline/LDC that specifies the maximum hourly flexibility available or lack thereof is required. For example, if a unit can only deviate by 20 percent of their scheduled hourly maximum output, the turn down ratio would be 1.25. If a unit is restricted to a fixed hourly output (e.g. uniform hourly volumes), the turn down ratio would be 1.00. The pipeline restriction must be binding and enforced.

Failure to provide documentation will result in the rejection of the PLS exception.

Rules

OA Schedule 1 Section 6.6 Minimum Generator Operating Parameters – Parameter Limited Schedules

(i) (i) Temporary Exceptions. A temporary exception shall be deemed accepted without prior review by the Market Monitoring Unit or the Office of the Interconnection upon submission by the Market Seller of the generating unit of written notification to the Market Monitoring Unit and the Office of the Interconnection, at least one Business Day prior to the commencement of the exception, and shall automatically commence and terminate on the dates specified in such notification, which must be for a period of time lasting 30 days or less, unless the termination date is extended pending a request for a period exception or shortened due to a change in the physical conditions of the unit such that the temporary exception is no longer required. Such Market Seller shall provide to the Market Monitoring Unit and the Office of the Interconnection within three days following the commencement of the temporary exception its documentation explaining in detail the reasons for the temporary exception, and shall also respond to additional requests for information from the Market Monitoring Unit and the Office of the Interconnection within three Business Days after such request. Failure to provide a timely response to such request for additional information shall cause the temporary exception to terminate the following day. The Market Seller shall notify the Office of the Interconnection and the Market Monitoring Unit in writing of an early termination of a temporary exception due to changed physical conditions by no later than one Business Day prior to the early termination date. A temporary exception may only be requested one-time for the same physical or actual constraint since an operational constraint that may occur more than once should be the subject of a period exception request rather than multiple temporary exception requests.

Manual 11 – Section 2.3.4.3 Parameter Limited Schedule Exceptions.

A generation resource shall notify the MMU and PJM when the temporary exception commences and terminates and provide to the MMU and PJM within three (3) days following such commencement documentation explaining in detail the reasons for the Temporary Exception, that includes:

- Unit Name.
- Parameter Limit Requested.
- Reason for Temporary Exception Request.
- eDART ticket.
- Justification for Temporary Exception Request, including required resource operating data in support of the exception.
- Date on which the exception period will end.

If PJM does not receive a complete exception request, and the resource did not clear in the Dayahead Energy Market, the resource schedule will be returned to its previous parameter limits.

Physical operational limitations for Temporary Exceptions may include, but are not limited to, short term equipment failures, short term fuel quality problems such as excessive moisture in coal fired units, or environmental permit limitations under nonemergency conditions.

Market Sellers may use exceptions to reflect physical operational limitations (e.g., operational flow orders) on natural gas pipelines and local natural gas distribution companies (LDC). These exceptions will be reviewed by PJM and the MMU and approved by PJM, in accordance with the applicable provisions of the Tariff and Operating Agreement.