

Proposed Modifications to RPM Must Offer Requirement

CMEC

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MMU Voting Issue

- **Obligation of RPM resources to make offers in the Day-Ahead Energy Market**



Offers in Day-Ahead Energy Market

- **Capacity market resources have an obligation to offer in the Day-Ahead Energy Market**
- **Prior settlement language on max emergency resources should be incorporated in tariff**
- **Review prior settlement language**
- **Present revised OA language that addresses FERC issues with settlement language**



Settlement Language re Economic Offers in Energy Market

E. Clarification Regarding Offers in Day-Ahead Energy Market by Capacity Resources.

As set forth on the attached Operating Agreement amendments, Section 1.10.1A of Schedule 1 of the PJM Operating Agreement, and the corresponding provisions of the Appendix to Attachment K to the PJM Tariff, are amended to provide that Capacity Resources committed through the RPM or Fixed Resource Requirement shall offer their output in the PJM Day-ahead Energy Market on economic schedule if not on forced or maintenance outage, unless the criteria for a Maximum Emergency schedule offer are met, per Operating Agreement Schedule 1, Section 6A.1.3. To offer its output “on economic schedule” the seller must designate the unit as available for normal economic operation as opposed to only being available under emergency conditions.



OA Language Proposed in Settlement

1.10.1A Day-ahead Energy Market Scheduling.

(d) ... Market Sellers owning or controlling the output of a Generation Capacity Resource that was committed in an FRR Capacity Plan, self-supplied, offered and cleared in a Base Residual Auction or Incremental Auction, or designated as replacement capacity, as specified in Attachment DD of the PJM Tariff, and that has not been rendered unavailable by a Generation Planned Outage, a Generator Maintenance Outage, or a Generation Forced Outage shall submit offers for the available capacity of such Generation Capacity Resource, including any portion that is self-scheduled by the Generating Market Buyer, on economic schedule except to the extent the criteria for a Maximum Emergency schedule offer are met, as provided in section 6A.1.3 of this Schedule 1 to this Agreement. To offer its output “on economic schedule” the Market Seller must designate the offered output as available for normal economic operation rather than only being available under emergency conditions.



MMU Proposed OA Language

1.10.1A Day-ahead Energy Market Scheduling.

(d) ...Market Sellers owning or controlling the output of a Generation Capacity Resource that was committed in an FRR Capacity Plan, self-supplied, offered and cleared in a Base Residual Auction or Incremental Auction, or designated as replacement capacity, as specified in Attachment DD of the PJM Tariff, and that has not been rendered unavailable by a Generation Planned Outage, a Generator Maintenance Outage, or a Generation Forced Outage, shall submit offers for the available capacity of such Generation Capacity Resource, including any portion that is self-scheduled by the Generating Market Buyer. Such offers may be designated as Maximum Emergency based solely on the criteria in section 6A.1.3 of this Schedule. The Generation Capacity Resource associated with any offers not consistent with these requirements shall be designated as unavailable due to a Generation Forced Outage.

