

Not Willing to Pay Congestion Transactions

MIC

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Issues

- **From January 1, 2008, through December 2010, Not Willing to Pay Congestion (NPC) transactions have accrued \$12.7 Million in uncollected congestion charges.**
 - **These dollars would have been available to fund FTRs.**
- **Selection of internal sources and sinks for such transactions do not reflect actual energy flows.**



Approved Solution from MIC

- **Charge congestion for intervals while loaded**
- **Require source and sink for real-time external transactions to be submitted only at PJM interfaces**



Approved Solution from MIC

- **Monitoring Analytics and PJM worked together to determine the business rules necessary to implement the approved solution. Three possible business rule solutions are:**
 - **Eliminate Internal Buses for Fixed and Dispatchable Day-Ahead Market Transactions**
 - **Keep Internal Buses for Fixed and Dispatchable Day-Ahead Market Transactions**
 - **Require separate transmission reservations for the Day-Ahead and Real-Time Markets; or**
 - **Make tool modifications to allow downstream tools to see the appropriate data**



Implementation Options

- **Eliminate Internal Buses for Fixed and Dispatchable Day-Ahead Transactions**
 - **Easiest and fastest implementation**
 - **No effect on Day-Ahead unit commitment or dispatch as they are already modeled at the interface**
 - **Allows for consistency between Day-Ahead and Real-Time Market transmission reservations**
 - **Only requires data changes on OASIS, no other tools would need to be modified**
 - **Not proposing to eliminate internal nodes for Up-To Congestion transactions**



Implementation Options

- **Keep Internal Buses for Fixed and Dispatchable Day-Ahead Transactions**
 - **Require separate transmission reservations for the Day-Ahead and Real-Time Markets**
 - **Day-Ahead reservation with internal buses and Real-Time reservation without internal buses**
 - **Requires separate products to be created on the OASIS**
 - **Requires two reservations, and two charges**
 - **Affects on ATC for reserving DA transmission**
 - **Make tool modifications to allow downstream tools to see the appropriate data**
 - **EES**
 - **eMKT**
 - **Market Settlements**



Recommendation

- **Both PJM and Monitoring Analytics have reviewed the potential business rules, and believe that eliminating internal buses from fixed and dispatchable transactions in the Day-Ahead Market is the best approach.**
- **The MIC has only approved the elimination of internal buses for Real-Time Market transactions, and thus must approve the recommendation to extend this rule to the Day-Ahead Market (for fixed and dispatchable only) in order to implement.**



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