

Start and Notification Times. Issues and MMU Proposal

MRC

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Background

- **MRC charged OC to determine minimum reliability standards for start and notification time.**
- **MRC charged MIC to address market issues related to start and notification time rules.**
 - **MIC-Notice and Start group met six times in special session.**



Design Components Per Special Session

- **Definition of appropriate start time.**
- **Definition of appropriate notification time.**
- **Application to both market-based and cost-based schedules.**
- **Address units with greater than 6 day start and notification time, as PJM cannot call these units.**
- **Compensation for aborted notification costs.**
- **Timing for changes to market rules.**
- **Rules for units that cannot be scheduled by PJM but can be called in less than 6 days.**
 - **Greater than 48 hour start plus notification time?**



MMU Proposal



Start Time

- **Start time should be based on physical characteristics of unit.**
- **Start time should not include notification time.**
- **Start time should be limited to start time equal to individual unit history.**
 - **Exception process for physical changes.**



Notification Time

- **Notification time should be based on physical characteristics of unit.**
- **Notification time should not include start time.**
- **Notification time should be limited to notification time unit equal to individual unit history.**
 - **Exception process for physical changes.**



Application to Cost-Based and Price-Based Schedules

- **Rules should apply to both cost-based and price-based schedules.**
- **Different cost-based and price-based parameters could require PJM to call unit on price-based offer for constraint relief or reliability issue.**
 - **This would give unit market power and the ability to exercise market power when the cost-based schedule is lower cost.**



Must Offer Rule

- **Start time and notification time should remain separate parameters.**
- **Units must comply with RPM must offer rule if the unit is a capacity resource.**
- **An offer in the Day-Ahead Market does not comply with the must offer rule if the parameters are not based on the physical limits of the unit.**



Aborted Notification Costs

- **Maintain current rules regarding start cost recovery with no changes.**
- **Maintain current rules regarding notification cost recovery with no changes.**
- **No change to current rules regarding start cost recovery has been supported.**
 - **Only start costs are covered in current rules.**
 - **No notification cost recovery is covered.**
- **Costs associated with notification have been paid by customers via ACR in RPM prices.**
 - **No additional compensation is required.**



Available to Schedule in Day-Ahead

- **PJM alerts require all units to be in readiness state.**
 - **Permits PJM to schedule units in the Day-Ahead Market.**
 - **For units that cannot be scheduled in Day-Ahead market due to start plus notification time.**



Greater Than 6 Day Start Plus Notification

- **All units must offer start and notification times based on their physical limits.**
- **All units must offer less than or equal to 6 days start time plus notification time.**
 - **Longer times require a forced outage.**
- **If a unit were economic based on its offer price and physical parameters, but cannot be scheduled due to long lead time, unit should be placed on a forced outage until it is made available.**



Timing for Change to Market Rules

- **Rule changes should be made effective immediately.**



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