

IMM LOC Issue List

MIC

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Howard J Haas



Monitoring Analytics

LOC Issues

- **Consistency in calculations across tariff**
- **Actual energy dispatch schedule used as basis for LOC. (schedule unit actually operating on)**
- **Ancillary services LOC issues**
- **Include Start costs and No Load costs in calculation for CTs and Diesels taken in day ahead and not taken in real time**
- **LOC payments must be an offset when unit is paid balancing operating reserve credits**



LOC Issues: Ancillary Services

- **DASR LOC Calculation**
 - **Determinants of LMP and LOC when $LOC > 0$ and unit marginal for energy.**
- **Regulation LOC Calculation**
 - **Use of active offer curve for LOC calculation**
 - **Use of actual LMP for LOC calculation**
 - **Shoulder LOC**
- **Synchronized Reserve LOC Calculation**
 - **Use of actual LMP for LOC calculation**

LOC Issues: Energy Market

- **Pool or Self Scheduled Units**
 - **Directed to reduce output**
 - **Wind LOC**
 - Desired MW is minimum of the forecasted capability or economic max, LMP Desired MW
 - Injection Rights should be considered

LOC Issues: Energy Market

- **CTs/Diesels scheduled in DA not called in RT**
 - **PJM calculates LOC for these units based on DA MWh times variable margin**
 - **RT LMP minus lower of DA LMP or Offer**
 - **Calculation should not reference DA LMP**
 - **Calculation should include Start Costs and No Load Costs as costs**



Monitoring Analytics, LLC
2621 Van Buren Avenue
Suite 160
Eagleville, PA
19403

(610) 271-8050

MA@monitoringanalytics.com

www.MonitoringAnalytics.com

