

Market Monitor Report

MC Webinar
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Forced Outage Rule

- **Attachment M – Appendix**
- **Section VII Forced Outage Rule**
 - **The MMU shall notify PJM of offers submitted DA as Max Emergency MW with a lower Max Emergency MW in RT for no physical reason.**
 - **The MMU shall notify PJM offers submitted Eco Max DA lower than RT for no physical reason.**
- **The MMU is contacting Market Sellers and documenting reasons.**

Must Offer Rule

- **The Forced Outage Rule is not the same as the Must Offer Rule.**
- **Units that clear RPM must offer ICAP in the Day-Ahead Energy Market, taking into account outages and derates:**
- **OA Schedule 1 Section 1.10 (d)**
“...offers shall be based on the ICAP equivalent of the Market Seller’s cleared UCAP capacity commitment...”

Forced Outage Rule

- **OATT: Section VII Attachment M – Appendix**

1. The Market Monitoring Unit shall observe offers submitted in the Day-ahead Energy Market to determine whether all or part of a generating unit's capacity (MW) is designated as Maximum Emergency and (i) such offer in the Real-time Energy Market designates a smaller amount of capacity from that unit as Maximum Emergency for the same time period, and (ii) there is no physical reason to designate a larger amount of capacity as Maximum Emergency in the offer in the Day-ahead Energy Market than in the Real-time Energy Market, the Market Monitoring Unit shall notify the Office of Interconnection.

Forced Outage Rule

- **OATT: Section VII Attachment M – Appendix**

2. If the Market Monitoring Unit observes that (i) an offer submitted in the Day-ahead Energy market designates all or part of capacity (MW) of a Generating unit as economic maximum that is less than the economic maximum designated in the offer in the Real-time Energy Market, and (ii) there is no physical reason to designate a lower economic maximum in the offer in the Day-ahead Energy Market than in the offer in the Real-time Energy Market, the Market Monitoring Unit shall notify the Office of Interconnection.

Forced Outage Rule

- **Manual 11 – Section 2.3.3**
- Designation of all or part of a unit's capacity as Maximum Emergency (ME) constitutes withholding in the Day-ahead Market, if:
 - The capacity is not designated as ME in the bid for the Real-time Market, or;
 - There is no physical reason to designate the unit as ME.
- The consequence of withholding a unit's capacity under ME is:
 - The unit will be given an outage ticket which reflects a de-rating equal to the positive difference in capacity designated Maximum Emergency in the bid for the Day-ahead Market and capacity designated Maximum Emergency in the bid for the Real-time Market.

Forced Outage Rule

- **Manual 11 – Section 2.3.3**
- Reduction of Economic Max MW constitutes withholding in the Day-ahead Energy Market, if:
 - The Economic Max MW is higher in the bid for the Real-time Energy Market than in the bid for the Day-ahead Market, or;
 - There is no physical reason to designate a lower Economic Max in the bid for the Day-ahead Market bid than in the bid for the Real-time Market.
- The consequence of withholding a unit's capacity by reduction of Economic Max MW is:
 - The unit will be given an outage ticket which reflects a derating equal to the positive difference in Economic Max output designated in the bid for the Real-time Market and in the bid for the Day-ahead Market.

Forced Outage Rule

- **MMU Tasks:**
 - Identify behavior
 - Notify PJM
- **PJM Task:**
 - Assign forced outage ticket
- **MMU and PJM:**
 - Determine what constitutes a valid physical reason for behavior.

MMU Approach

- **The MMU will continue to gather information, identify behavior and notify PJM.**
- **The goal is to enforce the rules.**
 - **Effort to avoid false positives.**
- **Market Sellers will continue to be contacted when unit offers trigger the rules.**
- **Manual 11 states that units will be given an outage ticket when unit fails the screen and there is no physical reason.**
- **The MMU is discussing the implementation of this rule with PJM.**

Emergency Max MW

- **Emergency MW are output levels that require extraordinary procedures.**
- **PJM defines four categories:**
 - **Environmental limits.**
 - **Fuel limits.**
 - **Temporary emergency conditions at the unit.**
 - **Temporary MW additions.**
- **Environmental and fuel limitations should be addressed with the OC adder.**

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