Constraints in the Day-Ahead and Real-Time Markets

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Joe Bowring

Monitoring Analytics

Day-Ahead and Real-Time

- **The match between day-ahead and real-time markets will matter under PJM's proposed ORDC approach.**
- **PJM proposes to pay uplift on a five-minute standalone basis without any offsets during the day, during the hour or during the minimum run time.**
- **The day-ahead and real-time models differ in significant ways.**

Day Ahead Model

- **PJM states that 96 percent of constraints were monitored.**
- **In 2018, on average, line limits were specified for 29.5 percent of the transmission elements in the network model used for day ahead market clearing.**
- **The line limits for the remaining transmission elements were set at such high levels that they could not bind in the day ahead market.**

Real Time Constraints

- **In 2018, 56 percent of real-time constraint hours did not have a corresponding day-ahead constraint hour.**
  - **Accounting for matching hours and constraints, 56 percent of real-time constraints did not bind in the day-ahead market.**
- **Congestion is different in the real-time market than in the day-ahead market.**
- **The result of different binding constraints and congestion will be that different units are dispatched for energy and reserves in day-ahead and real-time markets with corresponding deviations.**

Monitoring Analytics, LLC
2621 Van Buren Avenue
Suite 160
Eagleville, PA
19403
(610) 271-8050

MA@monitoringanalytics.com
www.MonitoringAnalytics.com