

Marginal Fuel Information for Eastern PJM

Market Monitoring Unit July 2006





Introduction

These data show the fuel type of the marginal resource during the hours that the marginal resource is located in eastern PJM. Eastern PJM, in the context of this analysis, is defined as the subset of generators located on the constrained side of the PJM Eastern Reactive Interface with a distribution factor of three percent or greater on the constraint. The data therefore represent the frequency of occurrence of various fuel types on the margin for only those hours during which a marginal resource is located in eastern PJM. These data do not reflect the marginal fuel type during hours when the marginal resource is located outside of the constrained region defined by the PJM Eastern Interface constraint. This report contains a monthly breakdown of the fuel type of marginal units in the eastern PJM area These data do not reflect the ownership of the marginal resources and therefore cannot be used directly to determine whether specific owners have the ability to exercise market power at or around the margin. The frequency with which a particular unit is marginal is a function of the cost structure, including fuel cost, and bidding behavior associated with individual units.





Fuel share of marginal units: Oct 2005 to May 2006

	Coal	Misc	Natural Gas	Petroleum
October 2005	34.9%	0.0%	60.4%	4.8%
November 2005	58.7%	0.0%	35.9%	5.5%
December 2005	32.3%	0.0%	55.6%	12.0%
January 2006	47.6%	0.1%	34.3%	18.0%
February 2006	54.3%	0.1%	36.2%	9.5%
March 2006	37.2%	0.1%	47.1%	15.6%
April 2006	67.2%	0.1%	32.1%	0.8%
May 2006	44.5%	0.3%	53.7%	1.6%

