Monthly FTR Auction Performance Solution

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- March 2017 monthly FTR auction results were posted late

- PJM determined that the primary contributing factor to monthly FTR auction posting delays are overlapping periods

  – Specifically super overlapping periods which are defined as 4 overlapping periods in one monthly FTR auction

- PJM brought forth a problem statement at the May MIC meeting

- The problem statement was approved at the June MIC meeting

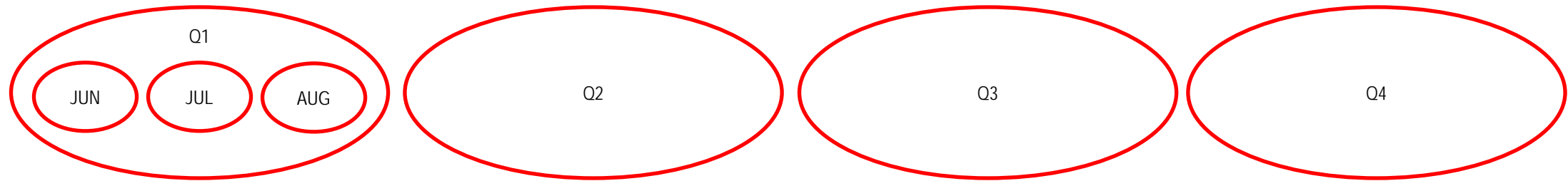- The issue was presented and discussed in the FTRMPS meetings resulting in one package proposal

- For monthly FTR auctions, the biddable periods would be any single month, 3 months out or any full remaining quarter where there is no overlap with 3 single periods
  - Removes super overlapping quarterly product from June, September, December and March monthly FTR auctions
  - Targeted to remove the primary cause of auction posting delays
  - Can be quickly implemented with the existing vendor software
- Implement by February 1, 2018 in time for the March 2018 monthly FTR auction that will be conducted in mid-February

- Current Monthly FTR Auction Biddable Periods
  - Any single month, 3 months out or any remaining full quarter in the planning period

- Requested Monthly FTR Auction Biddable Periods
  - Any single month remaining in the planning period (quarterly FTR products would no longer be available)

Current June Monthly FTR Auction Biddable Periods

Q1

JUN   JUL   AUG

Q2

Q3

Q4

Requested June Monthly FTR Auction Biddable Periods

JUN   JUL   AUG   SEP   OCT   NOV   DEC   JAN   FEB   MAR   APR   MAY

Administrative cost to setup and analyze additional biddable single month periods in the monthly FTR auctions

Vendor cost to change software to modify the monthly FTR auction biddable periods

Member cost to analyze and determine potential bidding strategy for additional biddable single month periods

Member interest for removing the quarterly FTR products and replacing them with single month periods