



Manual 11 Periodic Review: Real Time Values

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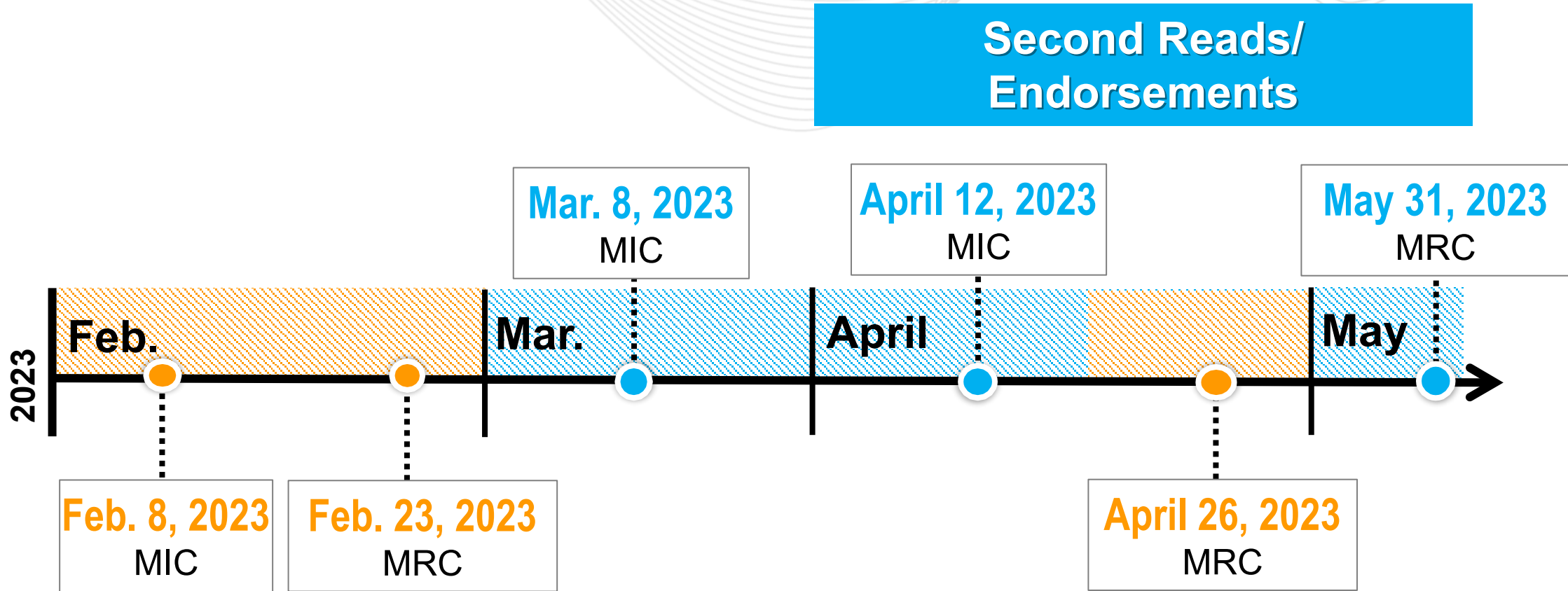
Action Required	Deadline	Who May Be Affected
Communicate to Staff about Changes to Manual 11 RTV language 	05/31/2023 	Market Sellers 

- Section 2.3.4.4
 - Added a new paragraph to memorialize current RTV rules in practice
 - Updated first bullet point to match current RTV rules in practice
 - Administrative change to ‘Office of Interconnection’
 - Administrative change to email address

Manual 11: Energy & Ancillary Services Market Operations, Revision 126

2.3.4.4 Real Time Values

- Market Sellers can communicate the resource's current operational capabilities to PJM ~~before and~~ after the Day-ahead Energy Market closes through the 'Real Time Values' function in Markets Gateway.
- Real Time Values should be utilized when a resource cannot operate according to the unit specific parameters or approved Parameter Limit Exceptions.
- The parameters eligible for Real Time Value overrides consist of the following values:
 - Turn Down Ratio
 - Minimum Down Time
 - Minimum Run Time
 - Maximum Run Time
 - Start Up Time
 - Notification Time
- Real Time Values shall only be submitted for actual physical unit limitations or those outside of management control. Supporting documentation for a Real Time Value submittal shall be provided to the MMU and PJM via unitspecificpls@pjm.com within three business days to demonstrate that operation outside of a Generation Capacity Resource's unit-specific parameters was the result of actual physical unit limitations or those outside of management control.
- A Generation Capacity Resource that operates outside of its unit-specific parameters will not receive Operating Reserve Credits nor be made whole for such operation when not dispatched by ~~PJM~~ ~~the Office of the Interconnection~~, unless the Market Seller of the Generation Capacity Resource can justify to ~~the Office of the Interconnection~~ PJM that operation outside of such unit-specific parameters was the result of an actual constraint. Such Market Sellers shall provide to the MMU and ~~the Office of the Interconnection~~ PJM via unitspecificpls@pjm.com ~~unitspecificmakewhole@pjm.com~~ its request to receive Operating Reserve Credits and/or to be made whole for such operation, along with documentation explaining in detail the reasons for operating its resource outside of its unit-specific parameters, within thirty (30) calendar days following the issuance of billing statement for the Operating Day. The Market Seller shall also respond to additional requests for information from the MMU and ~~the Office of the Interconnection~~ PJM. The MMU shall evaluate such request for compensation and provide its determination of whether there was an exercise of market power to ~~the Office of the Interconnection~~ PJM by no later than twenty-five (25) calendar days after receiving the Market Seller's request for compensation. ~~The Office of the Interconnection~~ PJM shall make its determination whether the Market Seller justified that it is entitled to receive Operating Reserve Credits and/or be made whole for such operation of its resource for the day(s) in question, by no later than thirty (30) calendar days after receiving the Market Seller's request for compensation.



Manual First Reads

Second Reads/Endorsements

Appendix

- Mechanism for a resource to communicate to PJM the current operating capability of a resource if it could not operate according to its unit specific parameter limits or approved parameter limited exceptions
- Are non-permanent
- Resources using RTVs will not receive Operating Reserve Credits and will not be made whole unless the Market Seller can justify to PJM that operating outside of its unit specific parameters was the result of an actual constraint

Parameters Eligible for RTV Overrides

Minimum Down Time

Minimum Run Time

Maximum Run Time

Hot/Warm/Cold Start Up Time

Notification Time

Turn Down Ratio

1. It was observed that RTVs are being used to override a resource's unit specific parameter limits or approved parameter limited exceptions
2. Conversely, there have been operational impacts in real time when a resource is called on by PJM dispatch based on its unit specific parameter limits or approved parameter limited exceptions, and at that time the resource notifies PJM that they cannot physically meet their unit specific parameter limits and have not submitted a RTV

In May 2021, FERC rejected PJM’s 205 filing to add RTVs to the Tariff based on supporting documentation for RTV submission was not required in all circumstances and RTV submissions were not due to actual physical/operational constraint.

- “during normal conditions, capacity market sellers, including those who have failed the three pivotal supplier test, are not required to provide any documentation.”
- “the limited documentation requirements for Real Time Values stand in stark contrast to the existing exception process, which requires sellers to provide documentation for all requests demonstrating that an actual physical or operational condition exists.”

FERC is concerned that the PJM Tariff appears to be unjust and unreasonable because it fails to contain provisions governing what happens if a seller is unable to meet its unit-specific parameters in real time.

- “While PJM needs accurate, timely information on resources’ operating capabilities, without a clear process for assessing changes to parameter-limited schedules in real time, PJM’s Tariff may not adequately mitigate the potential for sellers to submit Real Time Values to exercise market power.”
- In addition, the existing practice “does not contain sufficient protections against sellers using Real Time Values to avoid market power mitigation by inappropriately increasing their Notification Time on parameter limited schedules.”

- Presented at June 21 MC Webinar, July 14 MIC, and July 15 OC and solicited stakeholder feedback.
- On July 23, PJM filed a notice to FERC of the interim approach with an effective date of August 1, 2021 to address concerns raised in prior FERC orders.
 - Only allow Real Time Values to be submitted for actual physical unit limitations or those outside of management control.
 - Submission of a Real Time Values would require supporting documentation within three business days demonstrating actual physical unit limitations or those outside of management control.
 - Real Time Values would be allowed to be submitted only after the close of the day-ahead market.

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M11 RTV Language Periodic Review



Member Hotline

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YOU CLICK!**



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Report suspicious email activity to PJM.
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