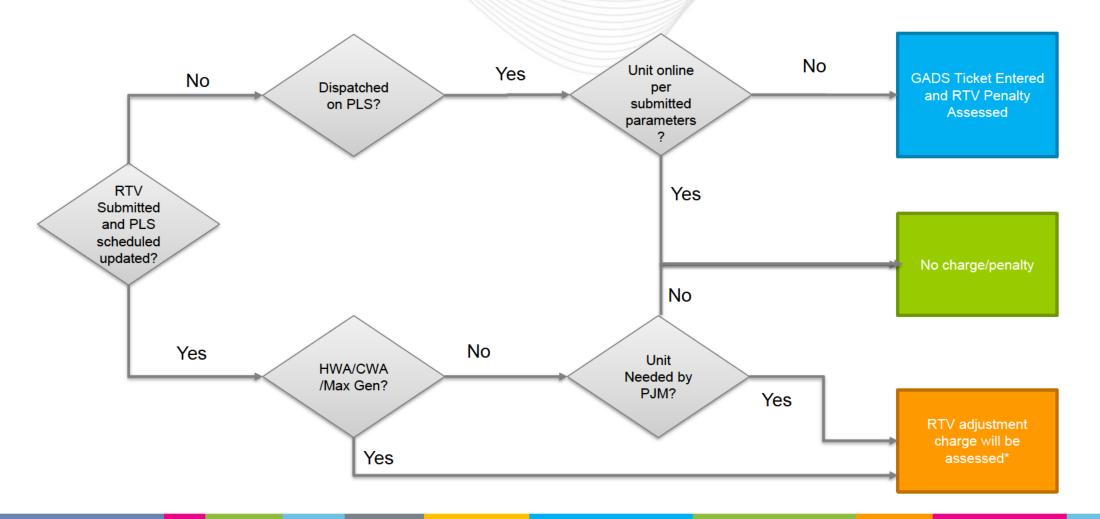


PJM Proposed Solution – Penalty and Charge Structure

Lauren Strella Wahba Engineer, Generation Department



High Level Process Flow





RTV Penalty/Charge Structure Overview

RTV Not Used (not reflecting known actual operating conditions)

-

Resource dispatched by PJM based on PLS and unit cannot respond



GADs ticket required AND a RTV penalty is assessed

RTV Used (overriding unit specific parameters on price based PLS or cost based schedules)



During HWA, CWA, Max Gen Emergency RTV adjustment charge will be assessed

RTV Used (overriding unit specific parameters on price based PLS or cost based schedules)



During times when unit is determined to have been needed by PJM a RTV adjustment *charge* will be assessed <u>only</u> when incremental energy offer < hourly LMP



Penalty Structure

RTV Not Used (not reflecting known actual operating conditions)

Resource dispatched by PJM based on PLS



Resource is unable to respond due to discrepancy in parameters (less flexible for PJM)



Resource is required to submit a ticket into GADs for the period of increased Notification Time, Start Up Time, and/or Minimum Down Time

AND



A RTV Penalty will be assessed. Sum (Emergency Max * RT LMP at the pnode for 24 hrs)



Charge Structure - During a HWA, CWA, or Max Gen Emergency

RTV Used (overriding unit specific parameters on price based PLS or cost based schedules)

A RTV is submitted and the parameter limit is overridden on either the price based PLS or cost based schedules



During a hot weather alert, cold weather alert, or max gen emergency



RTV adjustment charge will be assessed.
Sum
(Emergency Max * RT LMP at the pnode each hour of each day that the RTV is used in the hourly schedule/100)

OR



RTV adjustment charge will be assessed. Sum (Power Meter MW * RT LMP at the pnode each hour of each day that the RTV is used in the hourly schedule/100)

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Charge Structure – Unit is Determined to Have Been Needed by PJM*

RTV Used (overriding unit specific parameters on price based PLS or cost based schedules)

A RTV is submitted and the parameter limit is overridden on either the price based PLS or cost based schedules



If a unit is
determined to be
needed by PJM
(and incremental
offer < hourly
LMP)



RTV adjustment charge will be assessed.** Sum (Emergency Max * RT LMP at the pnode each hour of each day that the RTV is used in the hourly schedule/100)

OR



RTV adjustment charge will be assessed.** Sum (Power Meter MW * RT LMP at the pnode each hour of each day that the RTV is used in the hourly schedule/100)

- * Incremental energy offer on a PLS based schedule is less than or equal to hourly LMP
- ** Adjustment Charge will only be assessed if incremental energy offer is < hourly LMP. If incremental energy offer is > hourly LMP, adjustment charge will not be assessed.





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PJM Proposed Solution – Penalty and Charge Structure



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