



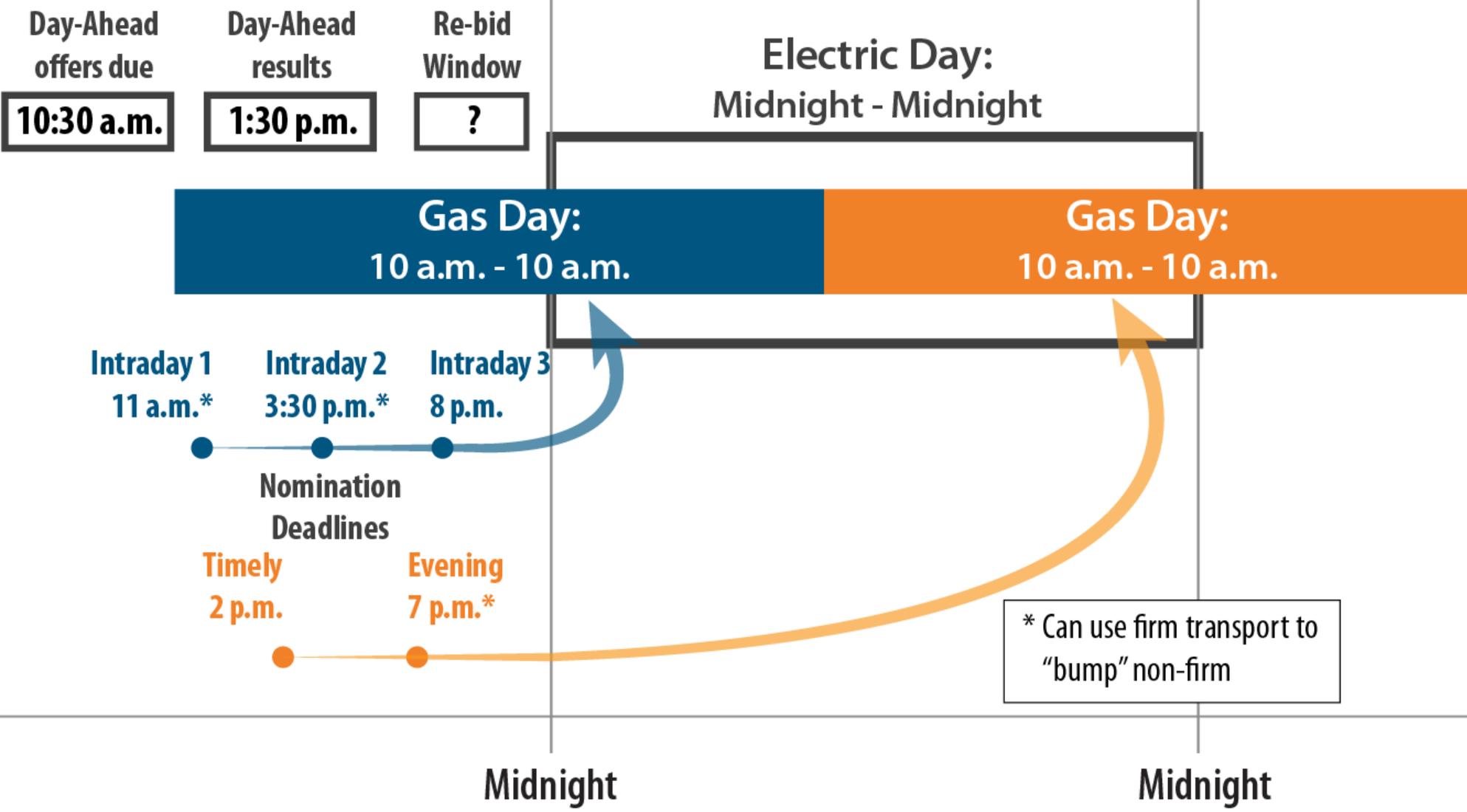
Gas/Electric Market Timeline Alignment

Markets and Reliability Committee
June 10, 2015

- March 20, 2014 – FERC Issues Notice of Proposed Rulemaking (NOPR)
 - RM14-2-000 is the NOPR for the gas industry
 - EL14-24-000 is a 206 docket applicable to PJM
 - Individual 206 dockets for each RTO/ISO
- EL14-24-000 requires PJM to make a compliance filing within 90 days of the date the Final Rule on RM14-2-000 is published in the Federal Register
 1. make Tariff adjustments to be compliant with the Final Rule, or,
 2. explain why the current Tariff provisions are compliant.
- April 17, 2015 – Final Rule was issued

- Final Rule on RM14-2-000 includes changing the Timely Nomination deadline from 12:30 to 14:00 EPT
 - Currently PJM's Day Ahead Market results are published at 16:00 EPT and therefore does not provide sufficient notice prior to the deadline for the Timely Nomination Cycle
- Final Rule does not change the deadline for the Evening Nomination Cycle which is 19:00 EPT
 - PJM's Reliability Assurance Commitment results are communicated between 18:30 and 20:00 EPT which does not consistently allow for sufficient notice prior to the deadline for the Evening Nomination Cycle

- PJM feels that Tariff and OA changes must be made to be compliant with the new timelines set forth in the Final Rule on RM14-2-000
 - This filing will be done as part of EL14-24-000
- PJM recommends addressing the issue directly at the MRC at regularly scheduled meetings or special sessions due to the 90 day compliance obligation
 - PJM's compliance filing is due July 23, 2015

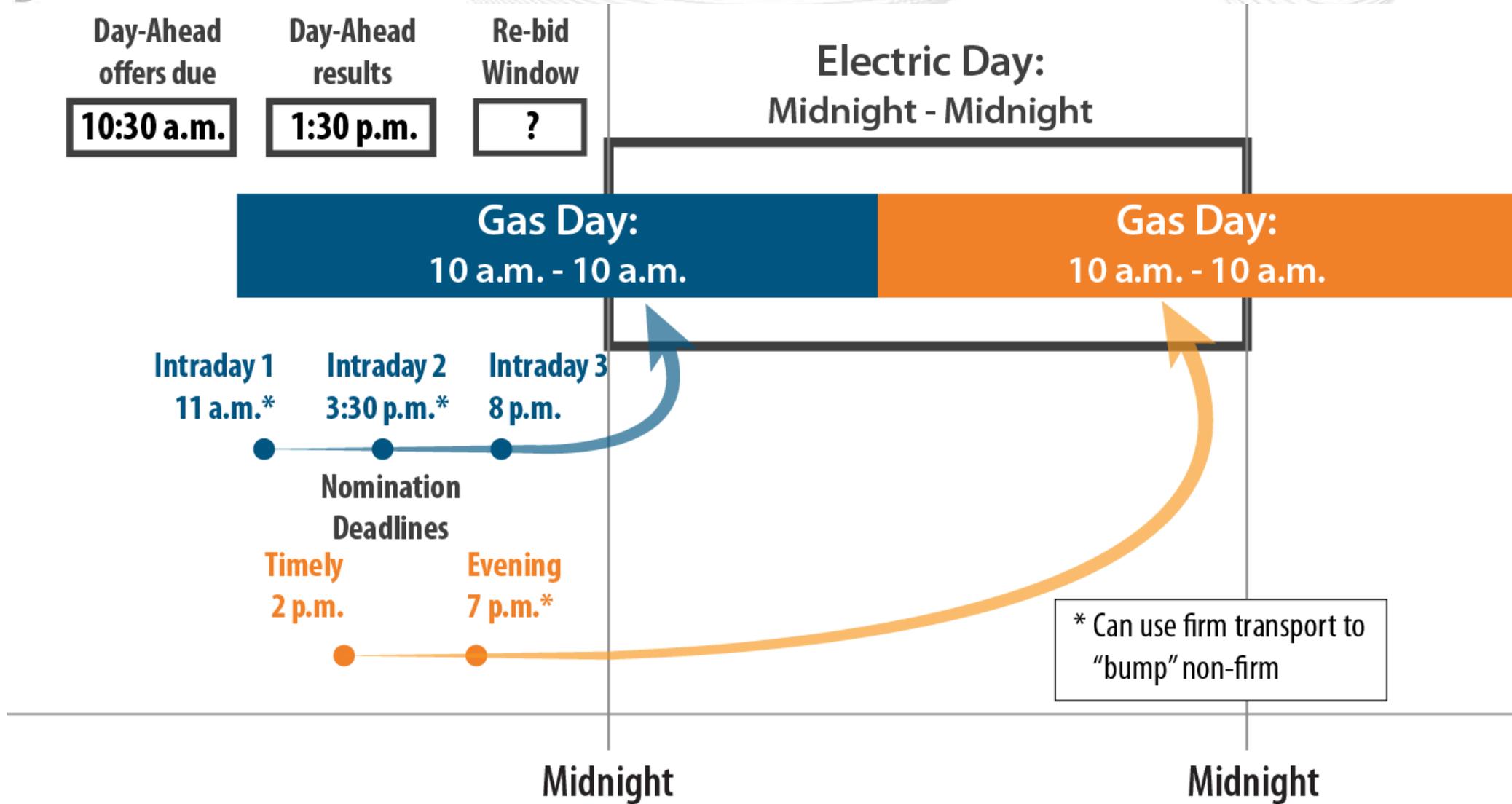


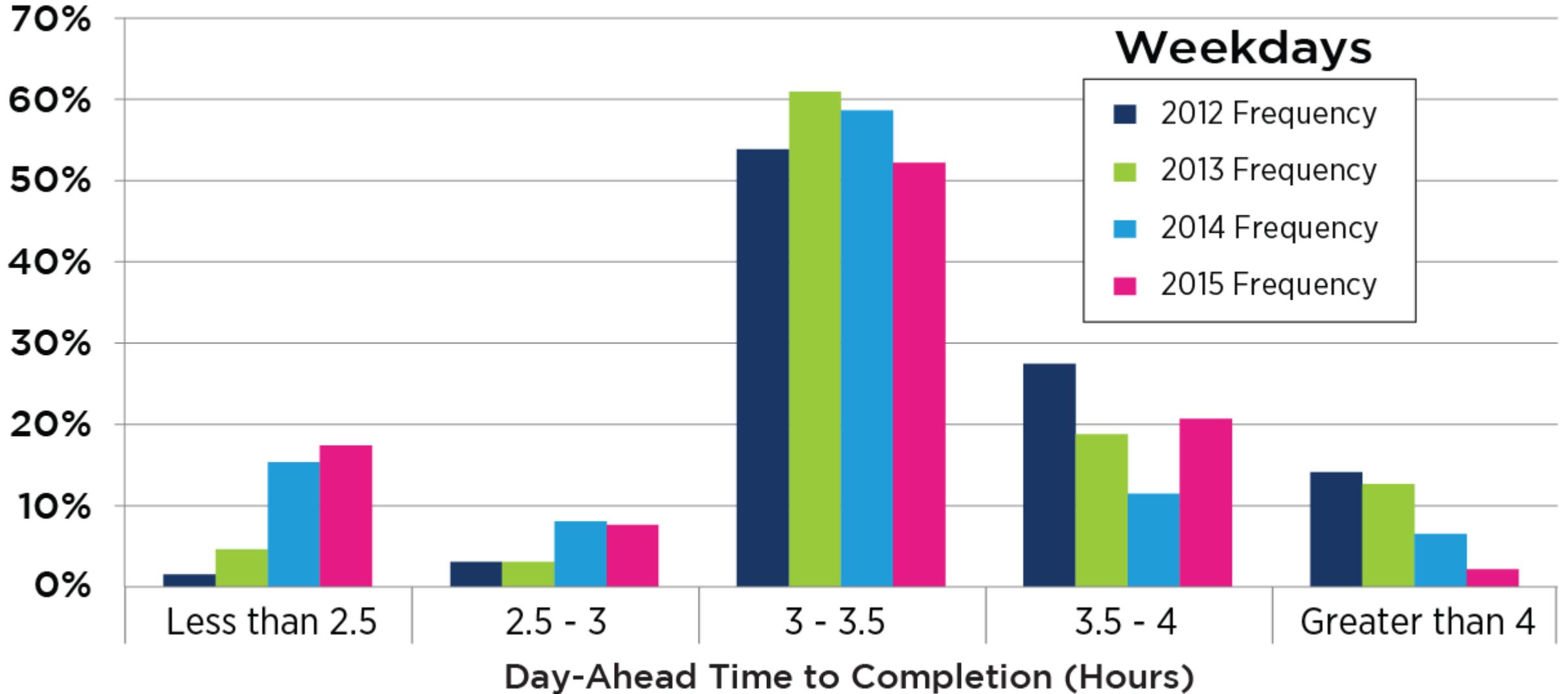
* Can use firm transport to "bump" non-firm

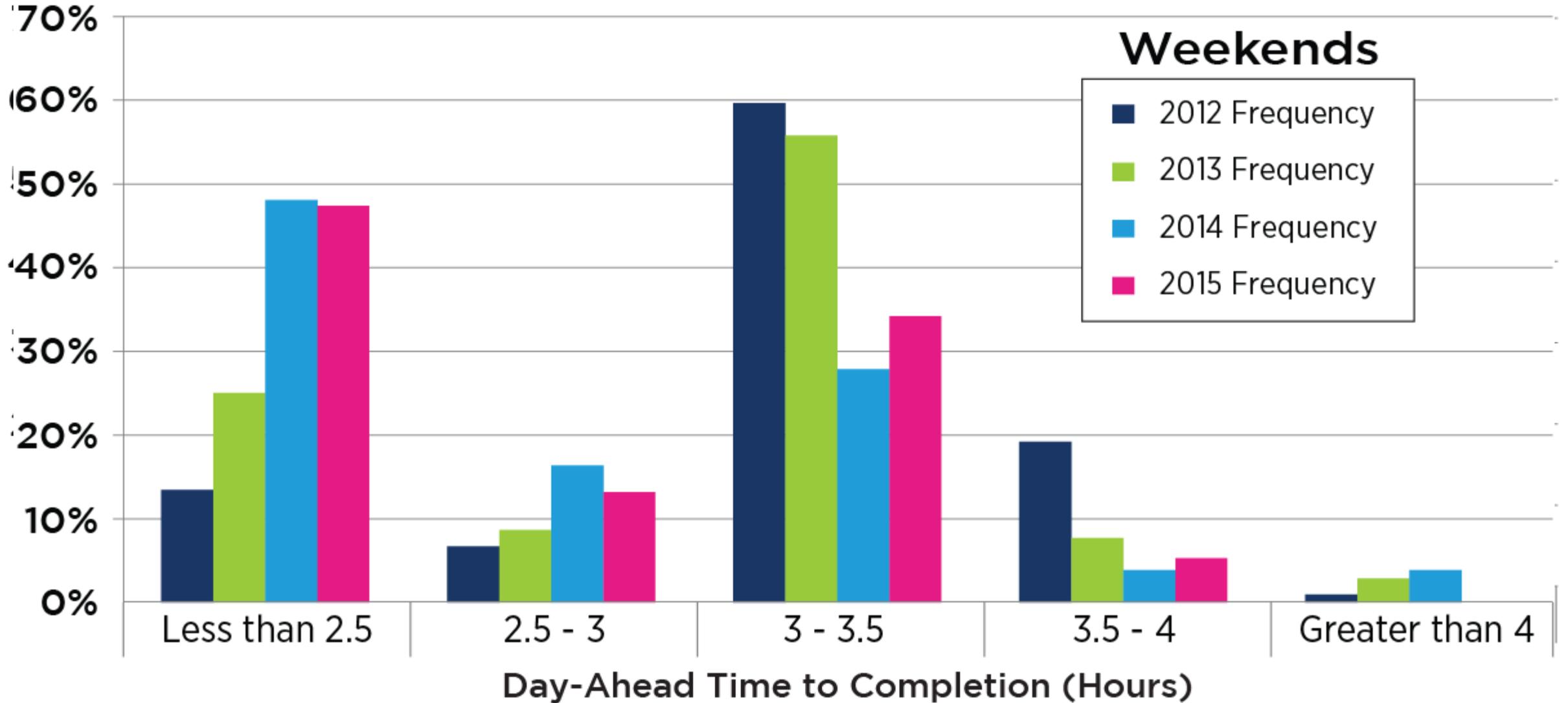
- **Day-Ahead Market**
 - Bid window closure 10:30 EPT
 - Results published when available but no later 13:30 EPT
 - Allows at least 30 minutes for gas nominations to be made prior to Timely Nomination Cycle deadline
- **Rebid Period and Reliability Commitment**
 - New rebid period from 13:30-TBD EPT
 - Reliability Commitment results provided by 15:00 EPT
 - Allows at least 30 minutes for gas nominations to be made prior to the Intraday 2 Cycle deadline and 4 hours prior to the Evening Nomination Cycle deadline
- **Condenses Day Ahead Market Solution window to 3 hours**
 - PJM continues to study and implement changes to hardware, software, and processes to further reduce the timeframe required to clear the day-ahead market

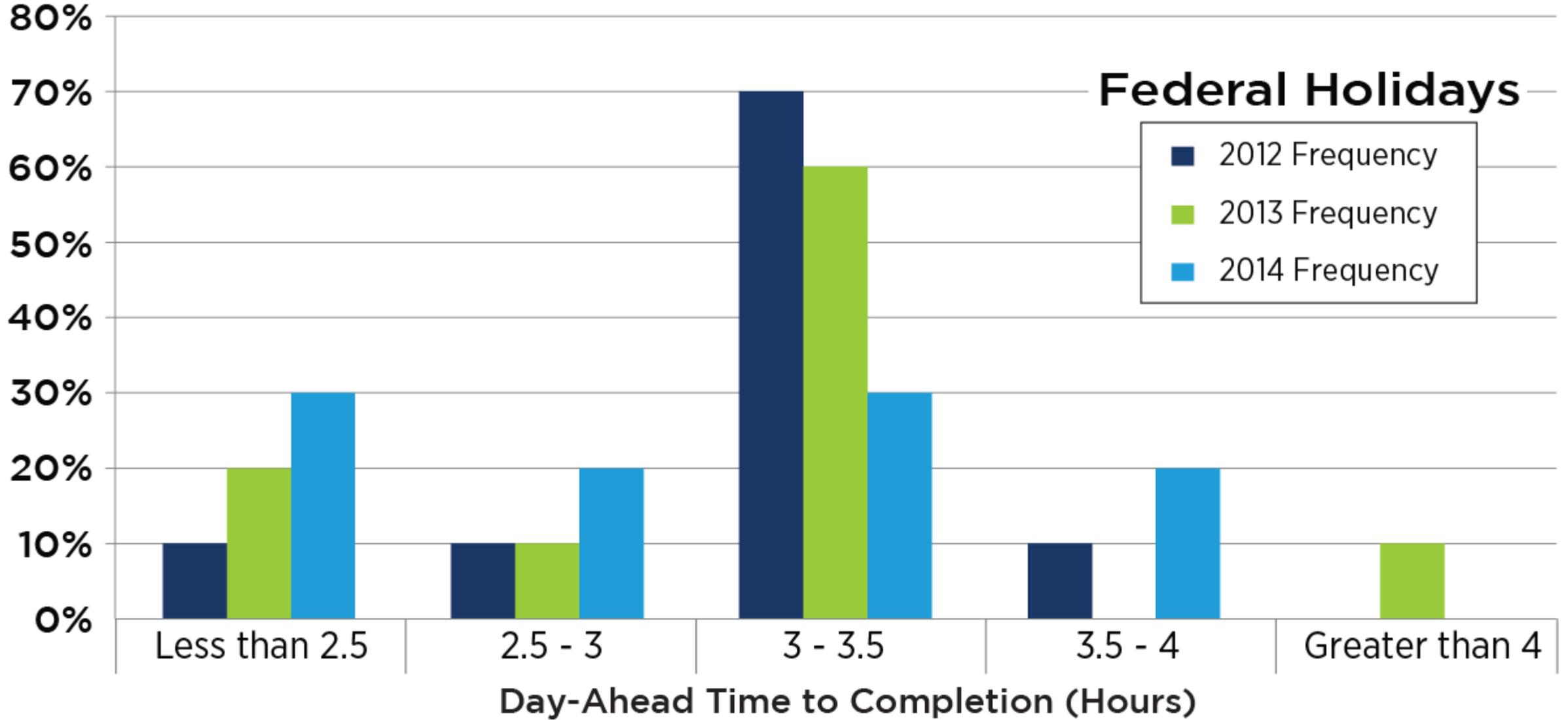
Nomination Cycles (Eastern Time)

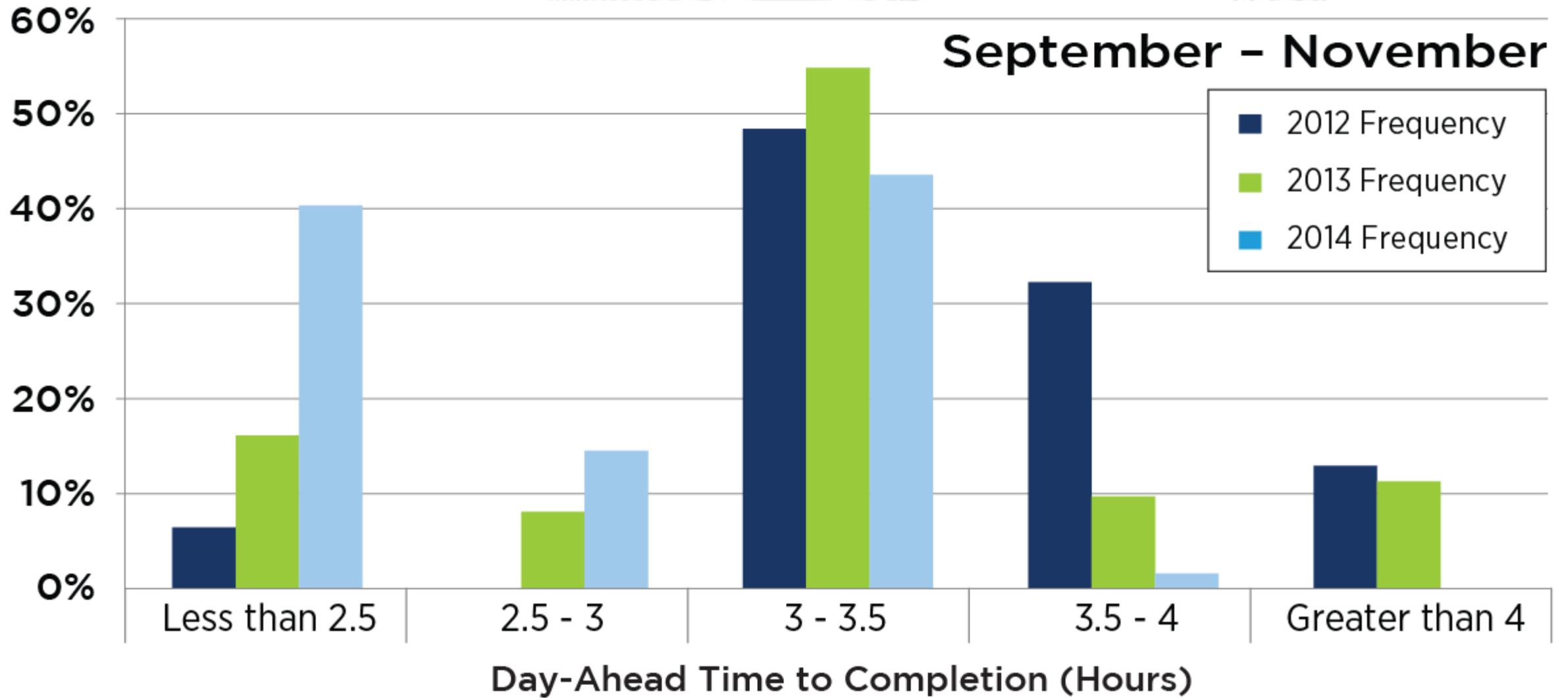
Cycle	Category	Current NAESB Standards	Revised NAESB Standards
Timely	Nomination Deadline	12:30 p.m.	2:00 p.m.
	Schedule Issued	5:30 p.m.	6:00 p.m.
	Start of Gas Flow	10:00 a.m.	
Evening	Nomination Deadline	7:00 p.m.	7:00 p.m.
	Schedule Issued	11:00 p.m.	10:00 p.m.
	Start of Gas Flow	10:00 a.m.	
Intraday 1	Nomination Deadline	11:00 a.m.	11:00 a.m.
	Schedule Issued	3:00 p.m.	2:00 p.m.
	Start of Gas Flow	6:00 p.m.	3:00 p.m.
	IT Bump Rights	IT bump allowed	IT bump allowed
Intraday 2	Nomination Deadline	6:00 p.m.	3:30 p.m.
	Schedule Issued	10:00 p.m.	6:30 p.m.
	Start of Gas Flow	10:00 p.m.	7:00 p.m.
	IT Bump Rights	IT bump NOT allowed	IT bump allowed
Intraday 3	Nomination Deadline		8:00 p.m.
	Confirmations		10:30 p.m.
	Schedule Issued		11:00 p.m.
	Start of Gas Flow		11:00 p.m.
	IT Bump Rights		IT bump NOT allowed



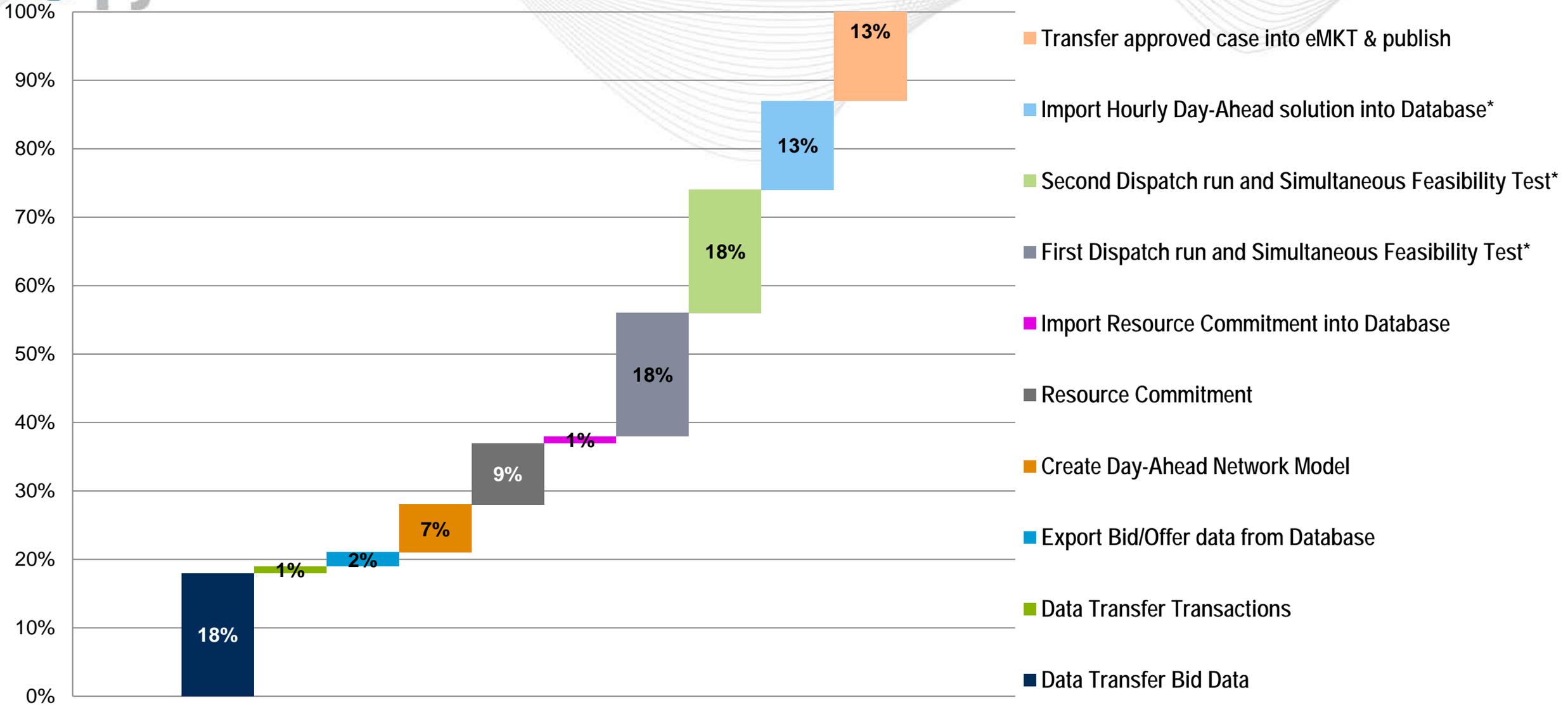








Day-Ahead Processing Time



- Initial Resource Commitment doesn't enforce all security constraints
- Day-Ahead case solves within a tolerance of optimality which requires manual adjustments to the case by the market operator (80/20 Rule)
- Misc. Circumstances – Modeling issues, IT related issues

- June 25 MRC
- File on or before July 23