

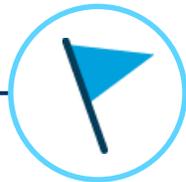
Five Minute Dispatch and Pricing Tariff/OA Updates

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MIC, Special Session, Five Minute Dispatch
and Pricing

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Action Required	Deadline	Who May Be Affected
<p>Communicate Tariff/OA updates to Market Participants</p> 	<p>4/21</p> 	<p>Market Buyers, Market Sellers, CSPs</p> 

- Purpose of Tariff/OA updates:
 - Add clarity regarding PJM Generation Dispatch practices and processes to improve transparency
 - Long-Term solution additions
- Preview Tariff/OA changes with Market Participants
 - Preparation for upcoming first and second reads at future MRC meetings
- Focus on Sections 1.11, 2.2 – 2.6 and 3.2.3

- PJM has several running versions of the Tariff/OA reflecting approved and pending language
- Current draft reflects some approved Fast-Start and Reserve Price Formation language
- Approved language that is in place but not effective due to future implementation dates is italicized
 - This helps distinguish between effective Tariff/OA language and approved but not effective Tariff/OA language
- PJM will also revise Section numbering and sub-numbering

- Section 1.11 title updated to Real-Time Dispatch
- Moved language from Section 2.2 to Section 1.11:
 - Transparency updates to 1.11 (a) and (b)
 - Long-Term solution additions in 1.11 (c) and (d)
- Moved section 2.3 to 1.11.1A to detail the purpose of the State Estimator in the Dispatch solution
- Section 1.11.1 updated to include self-scheduled units
- Section 1.11.3, Pool-dispatched Resources:
 - Clarifies Long-Term envelope method
 - 1.11.3 (a), clarification for limited energy resources
 - 1.11.3 (b), clarification for following dispatch signals sent by PJM

- Moved portion of first paragraph to Section 1.11
- Moved Section 2.2 (a) to Section 1.11 (a)
- Moved Section 2.2 (b) to Sections 2.5 and 2.6
- Section 2.2 (c) moved to Section 2.5
- Section 2.2 (d):
 - First sentence moved to Section 1.11 (b)
 - Remainder of language moved to Section 2.5.1 (a)

Entire section moved to Section 1.11.1A

- As previously noted, the new section provides more detail

Section 2.4, Determination of Energy Offers Used in Calculating Real-time Prices.

- Section 2.4 (b) updated to note determination of the marginal energy offer based on latest approved RT SCED case
- Section 2.4 (c) provides further clarification for (b)
- Section 2.4A deleted with clarification added to Section 2.5

- Section 2.5 (a) updated to note timing of RT SCED case approval and pricing
- Section 2.5 (b) deleted with some language moved to Section 1.11.1A
- Transmission Constraint Penalty Factor added in Section 2.5 (d)
- Section 2.5.1 first sentence moved 1.11 (b) and remainder of Section 2.2 (d) moved into this section

- Updates made in Section 2.6 to better detail how Day-ahead pricing is developed
- Added language to further clarify types of offers that contribute to the Day-Ahead calculation of prices

- Updates to Section 3.2.3 (o) (ii):
 - Ramp-Limited Desired calculation includes Achievable Target MW
 - UDS terms replaced:
 - UDS target changed to Dispatch target
 - UDS basepoint changed to Dispatch signal

- Tariff/OA language updates will be reviewed with Stakeholders during upcoming MRC/MC meetings
- First read at the March MRC
- Second read / vote at the April MRC/MC
- PJM will file Tariff / OA language updates with FERC after receiving Stakeholder approval

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