PJM and MMU Start and Notification Time Problem Statement

Markets and Reliability Committee January 19, 2011 Mike Bryson Joe Bowring

Start and Notification Time Issue

- PJM generation asset owners have approached PJM staff about extending notification and/or startup times for their capacity units
- Based on RTEP changes, unit retirements, and number of requests, extended notification and start times have the potential to create a reliability issue

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Start and Notification Time Issue

- Unit start time and notification time parameters are not currently limited by any market rules
- Current rules allow lengthy start and notification time parameters to be entered by market participants, which:
 - Make scheduling more difficult for dispatchers and operations
 - Make units unavailable for lengthy periods
 - Confuse the distinction between an outage and reserve shutdown status
 - Permit the exercise of market power

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Process Issues

- To determine the best process for addressing the reliability and the market issues associated with the start time and notification time parameters
- To define rules that define start time and notification time parameters
- The Operating Committee has responsibility for the reliability issues
- The MIC has responsibility for the market issues
- The reliability concerns of PJM and the Operating Committee must set the minimum standards

The markets issues must also be addressed

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Process Options

Option 1

- The OC determines the reliability standards that must be met
- The OC sends to the MIC
- The MIC addresses the markets issues, incorporating the OC standards at a minimum
- Option 2
 - Joint committee meeting
- Option 3
 - MIC meeting with OC representation

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