



Operating Reserve Clarification for Resources Operating as Requested by PJM

Nick DiSciullo

Market Settlements Development

MIC Special Session – Operating Reserve Clarification

September 11, 2023

- Raised by PJM and the Independent Market Monitor in February, 2022.
- Clarify and/or enhance rules governing the calculation of Balancing Operating Reserve Credits paid to supply resources determined to be operating as requested by PJM and how such determination is made.
- Strengthen incentives for supply resources to operate consistent with PJM's directions.

Feb-Mar 2022

First Read &
Approval of PS/IC
(MIC)

Aug-Nov 2022

Revisions to M28
to address CT
Rule Removal
(MIC/MRC)

Apr-Jul 2022

Education and
Matrix
Development
(MIC)

Sep 2023

Begin MIC
Special Sessions
to address
remaining issues
on IC

During the July 2022 MIC meeting, PJM and the IMM recommended, and stakeholders supported, a bifurcated approach to the content under this issue charge:

Move forward with the proposal to remove the special treatment CTs received in the calculation of balancing operating reserve make whole credits.

- This was endorsed at the October 2022 MRC meeting and subsequently implemented on November 1, 2022.

Continue discussion on the remainder of the content at special sessions of the MIC given the level of complexity, starting as early as October 2022.

- These sessions were deferred due to work on Reserve Price Formation and then Winter Storm Elliott
- PJM and the IMM would like to resume these conversations next month.

Date	Time
September 11	9:00 AM – 12:00 PM
October 16	9:00 AM – 12:00 PM
November 10	9:00 AM – 12:00 PM
December 11	9:00 AM – 12:00 PM

The first session will focus on refreshing the education around the problem statement, issue charge and mechanics of the operating reserve calculation.

Facilitator:
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**Operating Reserve Clarification for Resources
Operating as Requested by PJM Update**



Member Hotline

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Reference Materials:

- [Issue Tracking](#)
- [Problem Statement / Issue Charge](#)
- [Matrix](#)
- [Operating Reserve Make Whole Credits Education](#)
- [Operating Reserve Clarification - Incentives Education](#)
- [Following Dispatch Education - IMM](#)
- [Peer ISO / RTO Policies](#)
- [Following Dispatch and Deviation Charges – IMM Education](#)

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