

EMUSTF Poll Questions

Phase 2 poll questions

Captured during 8/28 meeting.

1. Signals and Incentives

- a) How important is it that uplift allocation continue to send signals to the market?
- b) How important is it to preserve incentives for a load to bid day-ahead accurately?
- c) How important is it to preserve incentives for generation to follow dispatch?

Comment [JC1]: Scale of 1-5

2. Volatility

- a) How important is it to reduce uplift volatility?
- b) Do you support a fixed rate or a dynamic rate (for uplift cost allocation)?
- c) (Assuming a fixed rate) Under extreme conditions, should the fixed rate structure be preserved, or are there exceptions that can be built into the market rules?

Comment [JC2]: Scale of 1-5

Comment [JC3]: List out all of the products here, so that folks can chime in.

3. Uplift Simplification

- a) Would you prefer a simpler uplift allocation?
- b) What are your recommendations for simplifying the uplift allocation?

Comment [DA4]: Yes/no. Perhaps add an open ended question – “If yes, how should the system be simplified?”

4. Uplift Transparency

- a) Is the level of transparency in the current uplift allocation methodology sufficient?
- b) If no, what areas would you prefer to see more transparency in the current uplift allocation?

5. Allocation philosophy – On what basis should uplift costs be allocated (on a granular basis)?

- a) Balancing Operating Reserve Charges - Deviations
 - Socialized broadly
 - Beneficiary-pay type mechanism
 - Cost causation
 - Fee-based
 - Hybrid

Comment [JC5]: Radio button to select one of the options below (each question).

Comment [JC6]: Text box for user to define

b) Balancing Operating Reserve Charges - Reliability

- Socialized broadly
- Beneficiary-pay type mechanism
- Cost causation
- Fee-based
- Hybrid

Comment [JC7]: Text box for user to define

c) Day Ahead Operating Reserve Charges

- Socialized broadly
- Beneficiary-pay type mechanism
- Cost causation
- Fee-based
- Hybrid

Comment [JC8]: Text box for user to define

d) Reactive Services Uplift

- Socialized broadly
- Beneficiary-pay type mechanism
- Cost causation
- Fee-based
- Hybrid

Comment [JC9]: Text box for user to define

6. Who should pay for the uplift listed below?

Comment [JC10]: Add list of uplift (from AI33 in phase 1) with radio buttons indicating load, gen, other? Include free form text box for responders to comment on "why?"

a) Resources with large minimum output values committed for transmission constraints that are not needed above minimum.

- Under the current rules these resources are not able to set LMP.
- These resources can be for either reactive or thermal constraints.

b) For the above resources, minimum run times may be in excess of the time the resource is actually needed. Even if prices are set during the time the resource is needed, it will incur uplift payments in other hours where it is running just to meet its minimum run time.

- c) Committing resources for the purpose of meeting system restoration requirements that are otherwise uneconomic.
- d) Committing CTs in the Day Ahead Market and not running them in real-time when the Real-Time LMP exceeds that Day Ahead LMP. This is known as CT LOC payments.
- e) Reducing a resource in real-time for a transmission constraint for which PJM does not accurately set LMP or dispatch. This is known as manual dispatches that typically are accompanied by an opportunity cost payment.
- f) Commitment of resources in the Day Ahead Market based on economics that are subsequently not economic in real-time due to differences in the market outcomes.
- g) The deployment of emergency demand response.
- h) Emergency purchases that are loaded and then become uneconomic during their minimum flow period.
- i) Interchange during emergency conditions that is in excess of what was projected or planned for. This can result in low prices and high uplift
- j) Transmission line outage deviations for changes made after the DAM closes

7. Virtual Transactions

- a) Should virtual transactions be treated the same way as physical transactions (i.e. should they receive an uplift cost allocation)?
- b) If so, should they receive the same level of allocation as physical transactions?
- c) Should UTC transactions be treated the same way as inc/dec transactions (i.e. should they receive an uplift cost allocation)?
- d) Should UTC transactions receive a fixed rate or an allocation of Operating Reserves?
- e) Should INC/DEC transactions receive a fixed rate or an allocation of Operating Reserves?

Comment [JC11]: Yes/no with comment box to follow

Comment [DA12]: Radio buttons for fixed rate and allocation

8. Netting

- a) Should operating reserves net against marginal losses?
- b) Should injections net against withdraws to determine overall uplift obligation?
- c) Should IBTs be included in uplift deviation calculations?

Comment [DA13]: Y/N

Comment [DA14]: Y/N

Comment [JC15]: Y/N

9. What should we call "Balancing Operating Reserve"?

Comment [JC16]: Text box

