



Generator Offer Flexibility Senior Task Force Meeting Enhancement to Existing GUCC Implementation

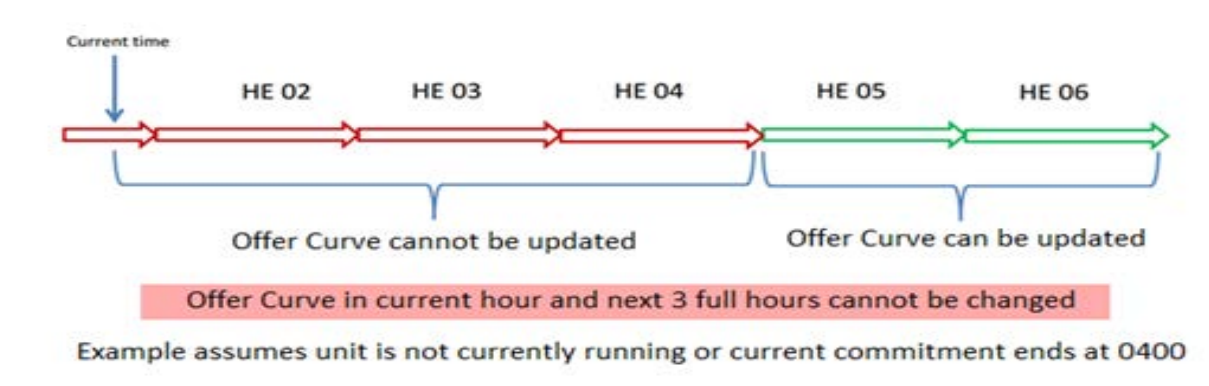
June 19, 2015

- Enhance current GUCC Implementation as a near term solution to allow offer curve updates until full implementation can be developed and deployed.
- Would replace current GUCC implementation
- Potential for Winter 2015/16 implementation
- Process would be available 365 days, not just during Cold or Hot Weather Alerts. Effective until replaced with long term solution.
- Request member feedback with respect to benefit

- No change to current Day Ahead (DA) market rules
- No change to current DA schedule submittal rules
- No change to current Rebid/RAC process
- Hourly offer curve updates not implemented for DA market

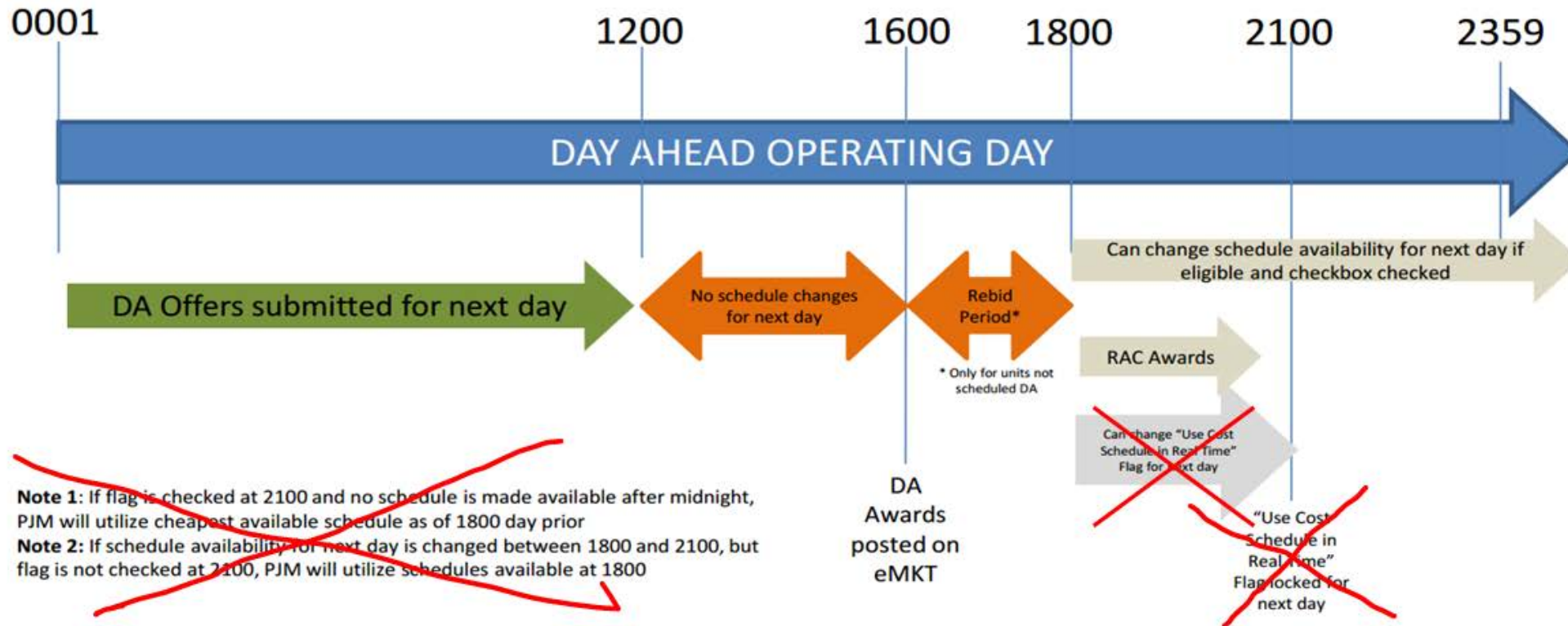
- Allow offer curve information (price and cost schedules) to be updated for the operating day on a 3 hour forward basis.
- Applies to all generation resources.
- Hourly updates would only be allowed for schedules made available by noon the day before the operating day or close of the rebid period.
 - Resources committed in DA or RAC: offer curve information can only be updated for hours after the last committed hour
 - Resources **not** committed in DA or RAC: allowed to update offer curve information during the operating day

- If a resource is not committed in DA/RAC and is committed in real time, the unit cannot update its offer curve information until after the unit is released
- Timing to update offer curve information in real time will be similar to current GUCC schedule availability update
 - Can only change offer curve three plus hours in advance of operating hour
 - Evaluate if lock out period can be reduced



Current Cost Switching Process Timeline

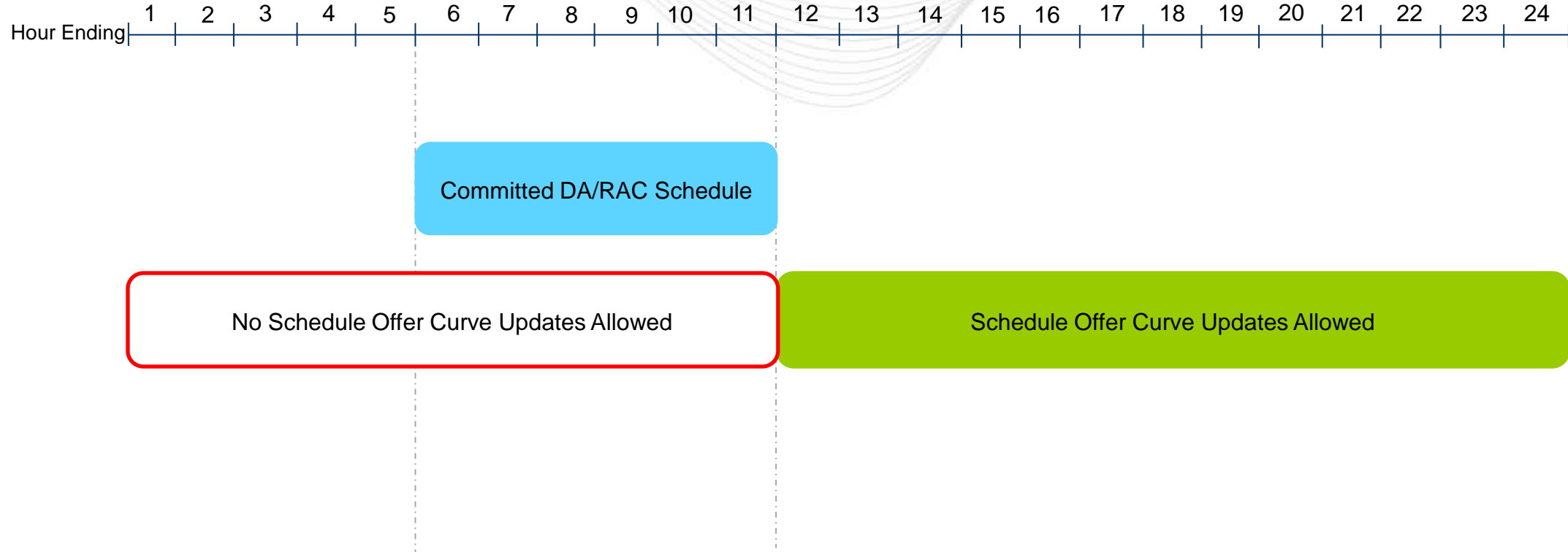
Current decision to Use Cost Schedule in Real time would be eliminated (1800-2100)

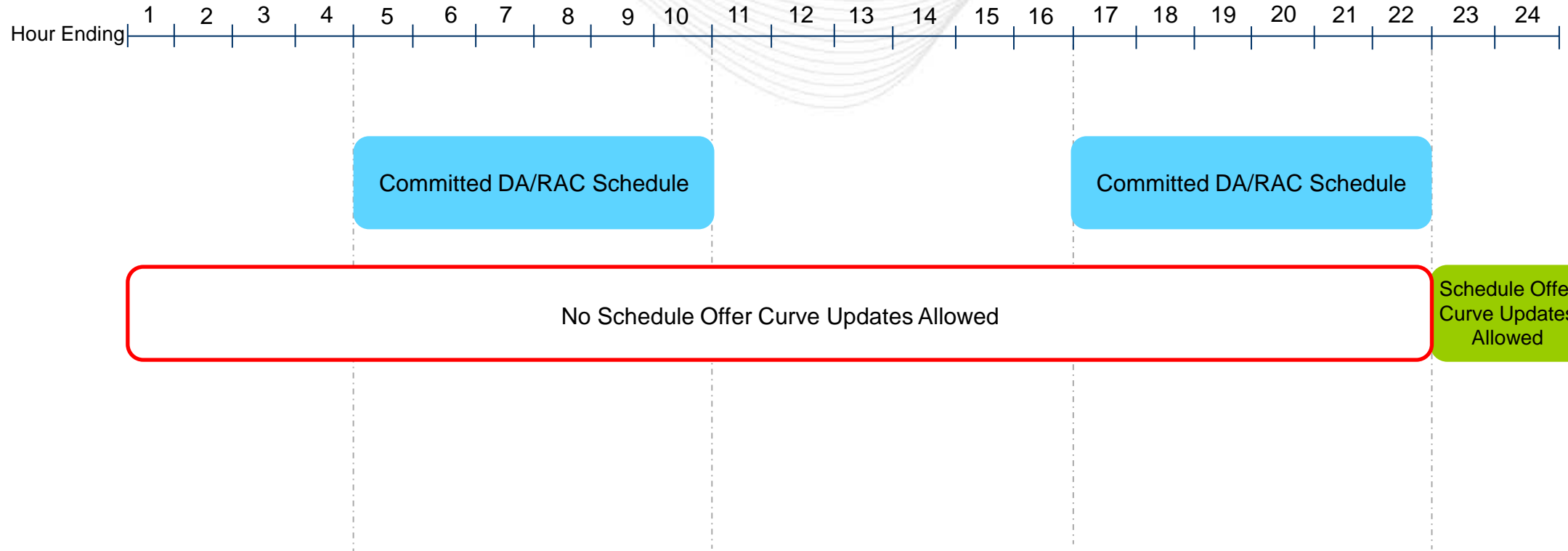




Committed DA/RAC Schedule

No Schedule Offer Curve Updates Allowed

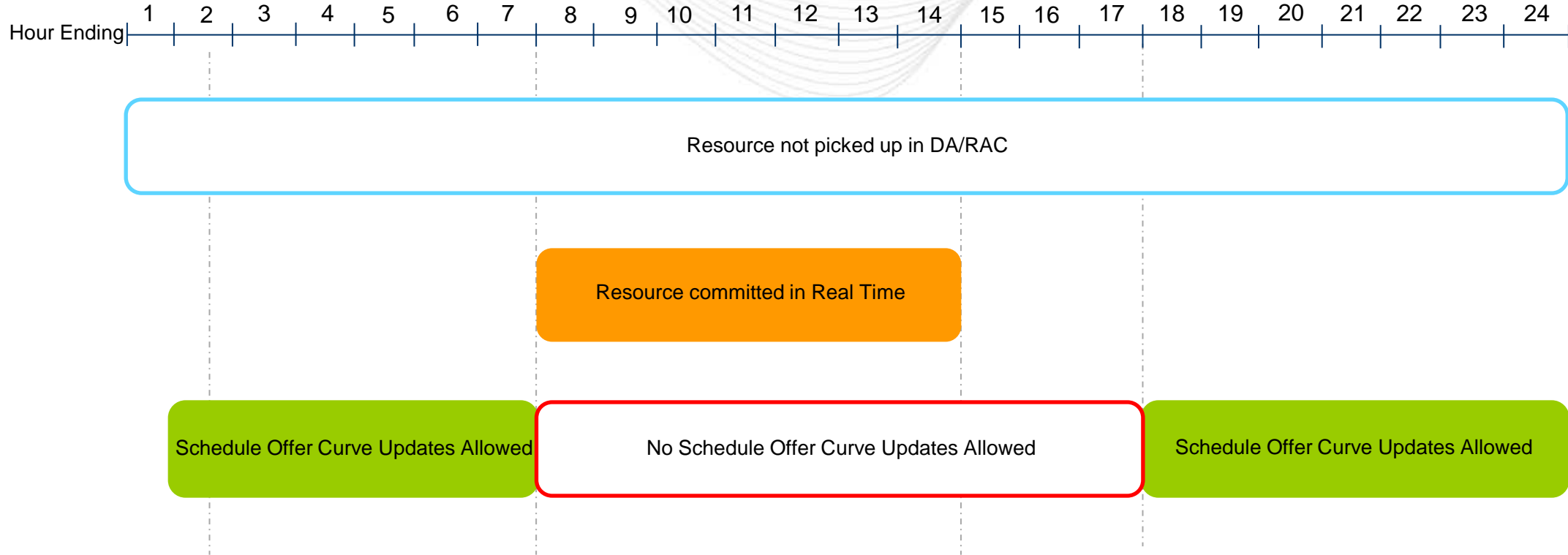






Resource not picked up in DA/RAC

Schedule Offer Curve Updates Allowed



Once the resource is released, schedule offer curve for the next 3 hours cannot be changed

	GUCC	Proposed Solution
Must make decision to use by:	1800-2100 day before operating day	Any point up to three hours prior to operating hour
Schedules Affected	<p>Cost Schedules Only (Price schedule becomes unavailable)</p> <p>Any cost schedule can be set to available; however, only one available cost schedule per energy fuel type per hour is allowed</p>	<p>Cost and Price Schedules</p> <p>Only schedules made available by noon (or end of rebid period for units not committed DA) may be updated</p>
Update Type	Schedule Availability	Offer Curve, Startup and No Load Costs
Update Periodicity	Current hour + 3	Same
Earliest update for DA/RAC committed units	After last committed hour	Same
Earliest update for Real Time committed units (No DA/RAC commitment)	Prior to commitment and after released	Same

- Does this near term solution provide benefit to the members?
- Need to discuss the complexity of this solution with PJM's software vendor and determine whether it can be implemented for winter 2015/16.
- Need to assess any mitigation issues with this solution.
- There is potential for some of this near term solution to be throw away work.
- Does working on near term solution take the focus away from the long term solution (delay long term solution implementation) or other high priority initiatives?