

# Market Implementation Committee

## Vitol Problem Statement

### Spot-In Service

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- Over the past few months, PJM and Vitol have presented options associated with the NYISO-PJM Spot-In problem statement.
- An educational session was held on December 21 in which NYISO provided examples to illustrate possible cost/surplus scenarios to address the questions from the November MIC.
- Compliance and reliability issues were also discussed with respect to unlimited service across all seams.



- To prevent uneconomic bids from holding transmission service, Solution A considers a 'market limited' spot-in product on the NYISO seam:
  - Transmission service would not be limited by PJM ATC up front
  - PJM would share spot-in ATC with NYISO
  - NYISO would model PJM's ATC in their economic clearing engine
  - Transactions would clear economically up to the more limiting of the NYISO or PJM ATC value
  - Differences in DA/RT ATC could result in cost/surplus allocation
- Considerations: Solution benefits, solution complexity, frequency of this issue, potential for cost or surplus allocation.

- In order to make better decisions related to the need to obtain transmission service, PJM would move the earliest request time for spot-in service from 9AM to 10AM day-ahead:
  - NYISO day-ahead clearing results are typically posted by 0935
  - Spot-in service would now be made available at 10AM
  - Service would be procured *after* NYISO DA results are known
  - Consistent start-time across all PJM seams
- Considerations: Solution benefits, less complex approach, no potential for cost/surplus allocation, there could still be entities that procure service that did not clear in NYISO's DA market.

# Questions