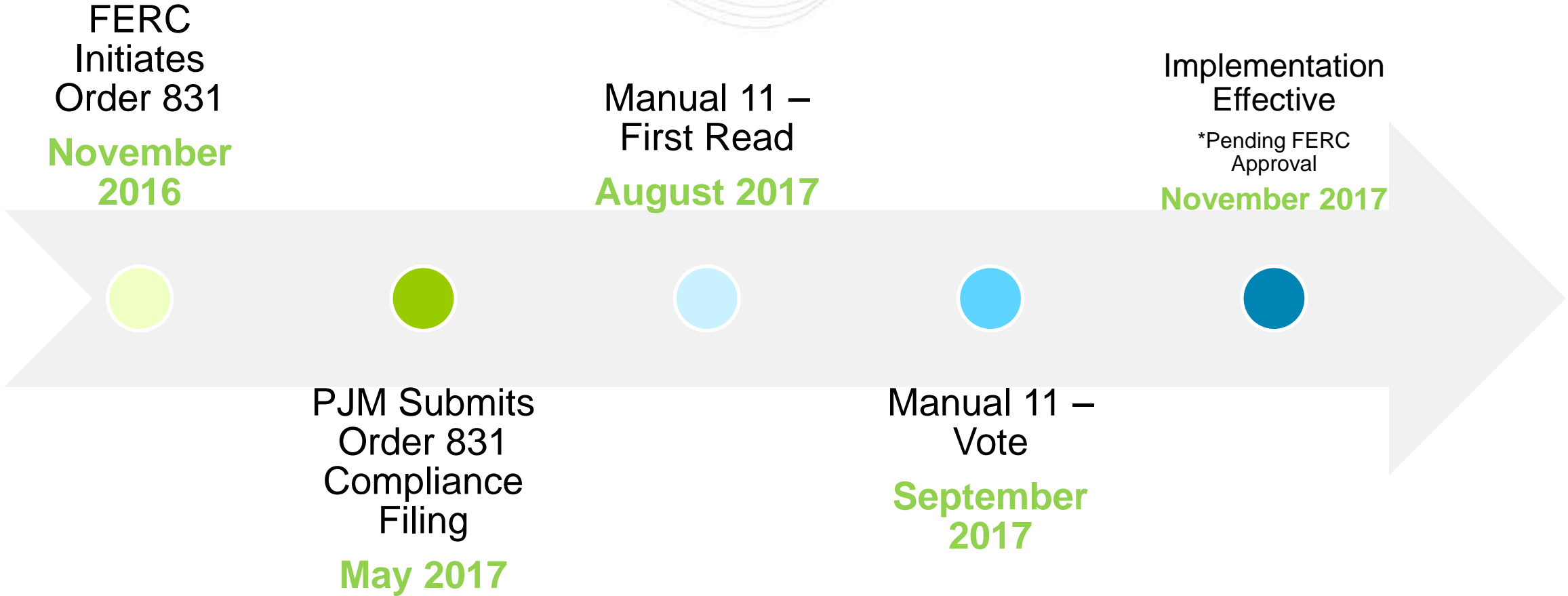


# Energy Offer Verification Manual 11 Revisions Review

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When	Readiness Activity
September 15	Additional Member Education Sessions <ul style="list-style-type: none"><li>• Sessions are posted on the Tech Change Forum page</li><li>• Will cover process of offer verification</li></ul>
October	Market Trials
Ongoing	Monthly Tech Change Forum Updates
Updates	Market Implementation Committee



# Manual 11 Revision Approval Path

Manual revisions are needed to document and implement the business rules as filed for FERC Order 831.

	<b>MIC</b>	<b>MRC</b>
August 9	First Read	
August 24		First Read
September 13	Vote	
September 28		Vote

- **Section 2.3.2: Market Buyer Rules**
  - Rules intended to clarify the allowable energy offer range for virtual transactions
    - Energy market transactions, except generation resource offers, may be submitted with an energy bid/offer price of no greater than \$2,000/MWh., ~~plus the sum of the applicable Primary and Synchronized Reserve Penalty Factors not to exceed \$3,7000/MWh.~~

- **Section 2.3.3: Energy Market Business Rules**
  - Rules intended to clarify the allowable cost-based incremental energy offer range
    - May exceed \$1,000/MWh, but may not exceed \$2,000/MWh for the purpose of dispatch and setting LMP
  - Rules regarding “Switch to Cost Schedule” flag
    - Price based offers will be capped at \$1,000/MWh in Markets Gateway
    - Market Seller wishing to have its resource dispatched on an offer above \$1,000/MWh must select Switch to Cost Schedule

- **Section 2.3.3: Energy Market Business Rules**
  - Rules regarding the activity of a Curtailment Service Providers (CSP)
    - Curtailment Service Providers may only submit an energy offer greater than \$1,000/MWh for an Economic, Pre-Emergency or Emergency demand response resource if the Curtailment Service Provider has validated that the end use customer's incremental cost for each offer is greater than \$1,000/MWh pursuant to the Demand Response Resource Validation Process.

- **New Section 2.3.6.2: Resource Offer Verification Rules**
  - Clarifying the process and rules of energy offer verification for resource offer submission in Day-Ahead and Real-Time Market to be eligible to set LMP
    - Generation Resource Offer Screening Process
    - Generation Resource Exception Process
    - Demand Response Resource Validation Process



- Attachment D: Verification of Cost Offers greater than ~~\$2,000/MWh~~ \$1,000/MWh
  - Outlines conditions to which resources that are requested to operate by PJM can be made whole
  - Applies to:
    - Cost-based offers greater than \$1,000 and less than \$2,000/MWh, which were not verified to set LMP
    - Cost-based offers greater than \$2,000/MWh