

Cold Weather Offer Summary

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- Current Offer Rules
- \$1,000 Offer Statistics
- Lesson's Learned

- **Operating Agreement ,Schedule 1, Section 1.10A.1(d)(viii):** (Offers) Shall not exceed an energy offer price of \$1,000/megawatt-hour for all generation resources, except (1) when a Market Seller's cost-based offer is above \$1,000/megawatt-hour and less than or equal to \$2,000/megawatt-hour, then its market-based offer must be less than or equal to the cost-based offer; and (2) when a Market Seller's cost-based offer is greater than \$2,000/megawatt-hour, then its market-based offer must be less than or equal to \$2,000/megawatt-hour;
- **Manual 11, Section 2.3.3:** Generation resource market based incremental energy offers may not exceed \$1,000/ MWh unless cost based incremental energy offer is greater than \$1,000/MWh then the market based incremental energy offer is capped at the lesser of the cost based incremental energy offer or \$2,000/MWh.

- \leq \$1000/MWh, market-based offer NOT capped by cost-based offer
- \$1000/MWh - \$2000/MWh, market-based offer capped at cost-based offer (market-based offer can go up to \$2000/MWh but must have a cost-based offer to support)
- All offers capped at \$2000/MWh for purpose of setting LMP
- Cost-based offers $>$ \$2000/MWh may be made whole through Attachment D, Manual 11.

Week of January 1st:

	Day-Ahead	Real-Time
Cost-based offers greater than or equal to \$1,000/MWh	83*	95*
% of PJM Units that submitted cost-based offers greater than or equal to \$1,000/MWh	6%	7%

- In the Day-Ahead and Real-Time Energy Market, no units set LMP with an offer segment above \$1,000/MWh

*Data based on schedule availability

- PJM and Market Monitor have requested documentation for cost-based offers \geq \$1,000/MWh
- Market Sellers to provide documentation required to recreate cost-based incremental offer
- PJM and Market Monitor will verify offers against approved Fuel Cost Policy

- To verify offers, cost offer data must be submitted into the Cost Offer Assumptions (COA) module of MIRA
- Once ex-ante offer verification is implemented (Order 831), no offers will be allowed $> \$1,000/\text{MWh}$, without supporting data in COA
- To facilitate current ex-post offer verification, it is strongly recommended data be submitted in COA. Offers that cannot be verified may be considered non-compliant with approved Fuel Cost Policy and subject to Fuel Cost Policy penalties