

2014 Market Efficiency Analysis

July 10, 2014

PJM TEAC 7/10/2014 - Market Efficiency Presentation

pim

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- To provide an update on Model Development
- To provide Reactive Ratings implemented in Models for Economic Upgrade evaluation
- To provide Next Steps to be completed



In Progress: Model Development

- Reviewing FSA Queued Generation impacts on constraints
 - Review generation unit's potential to unduly influence the results based on it's size and location
- Reviewing level of interchange between PJM and it's neighbors
 - Reviewing consistently with Interregional planning models





Section 1.5.7 Development of Economic-based Enhancements or Expansions (PJM Operating Agreement)

Addition of Customer Facilities pursuant to an executed Interconnection Service Agreement, Facility Study Agreement or executed Interim Interconnection Service Agreement for which Interconnection Service Agreement is expected to be executed. Facilities with an executed Facilities Study Agreement may be excluded by the Office of the Interconnection after review with the Transmission Expansion Advisory Committee.

Market Efficiency Exclusion Objective:

Avoidance of recommending Market Efficiency upgrades for simulated congestion that results directly from FSA unit.

The following FSA units will be excluded

- O-09, Q-39, T-143
 - FSA was suspended and does not appear to be moving forward
 - Identified upgrades in agreement are external
 - Upgrades not included in RTEP case yet



Interface

Eastern Interface Central Interface Western Interface APSouth Interface APSouth Contingency Black Oak - Bedington Interface Black Oak - Bedington Contingency 50045005 Contingency AEP-DOM Contingency Cleveland Interface BC/PEPCO Interface COMED Interface

PJM Reactive Interface Limit Values - Summer/Winter MW

RTEP Reactive	
Ratings	
Summer/Winter	
7546 / 6788	
3450 / 2894	
6469 / 5853	
5850 / 5550	
6400 / 6000	
2100 / 2500	
2469 / 2883	
3154 / 3017	
4233 / 5028	
3131 / 3066	
7058 / 7058	
3654 / 3654	

Notes

- Economic upgrades will be evaluated for all years with 2019 RTEP interface ratings
- COMED Interface only monitored in importing direction
- Winter adjustment based on historical deltas where system outages were minimal
- 2015 interface ratings for acceleration analysis to be provided at a future TEAC





Market Efficiency Preliminary Results:

- Congestion results
- Case files posted
- Stakeholder feedback on model
- PJM review for acceleration candidates
- Proposal window opens

August TEAC August August-October August-October November





- Market Efficiency Web Page located at
 <u>http://www.pjm.com/planning/rtep-development/market-efficiency.aspx</u>
- PJM will post Market Efficiency Case Files for all study years
 - Access requires CEII confirmation
 - Access requires Vendor (Ventyx) confirmation
 - No confidential data provided or used in analysis (i.e. actual bid data)
 - XML Format
- Reference Files
 - Input Assumptions Summary
 - Updated Modeling Document will provide details of setup and modeling methods