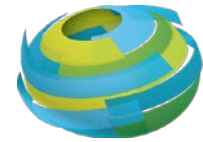




Spot-In Transmission Availability Time

PJM MIC

April 12, 2017



ACES
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SPOT_IN Request Period



- On PJM OASIS, ‘hour-SPOT_IN’ is listed as a product.
 - SPOT_IN represents the reserved capability of a PJM member selling energy into the PJM spot market at the PJM border.
 - SPOT_IN availability may be reserved the day prior to expected energy flow.
 - Market participant must request a SPOT_IN TSR via the PJM OASIS prior to submitting a Tag.
 - SPOT_IN service is available to PJM participants on a first-come, first-serve basis with a 5-minute shotgun start.

SPOT_IN Request Period



- In Solutions Package B, Market Participants are being asked to consider changing the current 9 AM SPOT_IN request time for next day service to 10 AM, for All OASIS Import Points.
- The NYISO issue is driven by the publication time of NYISO DA Awards at 9:40 AM:
 - Some PJM market participants reserve into PJM SPOT_IN not knowing of an ability to accommodate the transaction.
 - Solutions Package B calls for PJM's earliest request time for Spot-In service to start at 10 AM (DA) rather than the current 9 AM. This would allow a market participant to obtain service after a NYISO DA results are known.
- However, Solutions Package B would simply transfer a version of the NYISO issue to other interfaces.
 - A reasonable question is whether other interfaces should be disrupted to resolve one seams issue with NYISO.

Source: MIC Packages Matrix, Vitol Problem Statement.

SPOT_IN Request Period



1. A 10 AM SPOT_IN request period would mis-align PJM with other markets:

- In Package B , SPOT_IN for next day flow would be known by approximately 10:10 AM.
- However, by 10:10 AM, if PJM SPOT_IN is unavailable, alternative bilateral market opportunities for next day flow have already traded:
 - Seller has to Commit to PJM without knowing if SPOT_IN is Available; accordingly, sellers may seek to sell bilaterally in other markets.
 - Package B, while it may solve the documented issue with NYISO, would dis-align PJM with other markets.

2. Offers into the PJM Day-Ahead energy market are due at 10:30 AM:

- Between 10:00 AM and 10:30 AM, Traders must finalize/submit offers into the PJM DA market. Package B would add SPOT_IN requests to this short trading window.

SPOT_IN Request Period



ACES, on behalf of its PJM Members, requests that PJM retain the Status Quo 9 AM SPOT_IN request period.