Sub-Hourly Settlements

Market Settlements Subcommittee
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Advantages / Disadvantages

• Advantages
  – Accurate pricing
  – Improved settlement accuracy
  – Improved integration of compensation with system conditions

• Disadvantages
  – Added settlement complexity
    • Increased data volumes; timely bridging of data
  – Potential application performance issues
  – Increased data storage cost
  – Unknown implementation cost
PJM System Impacts

- Potential settlement business rule changes
- Application changes
  - MSCS
  - MSRS
  - Power Meter
  - InSchedule
  - Market Operations
- FERC / NERC data reporting
• Move to sub-hourly?
• Market clearing times
  – Any extension would be counter-intuitive to gas/electric coordination
  – Computing complexity to maintain existing clearing timeline
• Balancing Market impacts
• Metering infrastructure to support data requirements
  – Cost
  – Personnel to support increased data volumes
• Benefits?
• Challenges?
• Credit exposure?