CT LOC Examples
• CT LOC arises when CT are scheduled in DA and then not run in real-time
• There are many differences in the DA and RT markets that can drive differences
  – Interchange
  – Load
  – Constraints
DA MW = 30 MW
DA LMP = $200/MWh
RT MW = 0 MW
RTLMP = $300/MWh
• Committing CT A in the RT example would result in off-cost operations on the surrounding facilities
  – Without committing CT A there is no congestion and therefore the price at CT A does not reflect the potential constrained operations
  – CT A would receive an LOC payment in this case as it had to buy its DA position back at a loss
• Too much equipment on the system
  – PJM needs to improve in this area
• Confining parameters
• Different generation running in real-time
• Self-Scheduled generation
• RT LMP < DA LMP, but, RT LMP > Offer
  – Startup and no load are included