



FTR Case Performance Phase 2



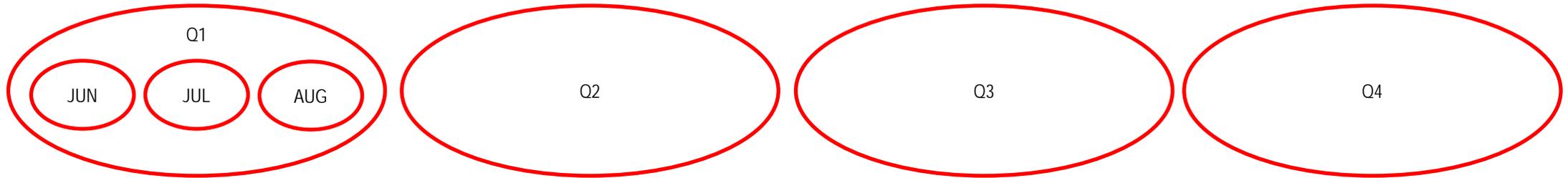
Special MIC - FTRMPS
November 20, 2017

- Phase 1 was intended to quickly address the primary contributing factor that impacted FTR case performance causing posting delays
 - Removal of the super overlapping quarterly product from the June, September, December and March monthly FTR auctions
- Phase 2 opens up discussion on additional options for improving case performance



- Current Monthly FTR Auction Biddable Periods
 - Any single month, 3 months out or any remaining full quarter in the planning period
- Requested Monthly FTR Auction Biddable Periods
 - Any single month remaining in the planning period (quarterly FTR products would no longer be available)

Current June Monthly FTR Auction Biddable Periods (4 cases required)



Requested June Monthly FTR Auction Biddable Periods (12 cases required)



- Is there member interest for removing the quarterly FTR products and replacing them with single month periods?
- Administrative cost to setup and analyze additional biddable single month periods in the monthly FTR auctions
 - High impact on auctions in the first half of the planning period due to the number of cases required for the additional monthly periods versus the current construct
- Vendor cost to change software to allow all single months as biddable periods
- The request leads to a redesign of the balance of planning period monthly FTR auctions

- PJM is open to hearing any additional ideas for improving FTR case performance as well any data requests for additional clarity on auction case performance



- PJM will not be able to implement a Phase 1 solution in time for the March 2018 monthly FTR auction
- Per Section 7.3.5(d) of Attachment K of the OATT, PJM may require that members do not submit in excess of 5000 bids or offers for any single monthly FTR auction when it is determined that such limit is required to avoid or mitigate significant system performance problems due to bid and offer volume
- As a potential alternative to enforcing the above tariff provision, PJM is considering a request to members to limit their Q4 bids in the March 2018 monthly FTR auction to 5000 bids
 - The MAR, APR and MAY periods would remain at the 10000 bids per period limit