

Manual 13: Maximum Emergency Implementation Details

Operating Committee
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Planning
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- Maintain overall system reliability for all days
- Continue to incent Gen Owners to manage their fuel inventories on their own and confirm that Generation Owners of Capacity Resources are required to take all possible actions to ensure sufficient fuel is available to run at PJM's direction
- Appropriately and effectively utilize Emergency Procedures to manage the reliability of the system
 - i.e. Do not create administratively driven emergency procedure declarations today, to avoid a potential reliability concern in the future

- Entering units into Maximum Emergency Status
 - PJM Actions:
 - Monitor fuel inventory and emissions run hours for all units.
 - If a steam unit approaches or falls below 10 days of remaining run time, PJM will contact the Generation Owner to confirm if there are economic options available to increase the inventory. If additional fuel deliveries are not available/sufficient and the remaining run hours are expected to continue to decrease based on projected run times, PJM may request the unit owner to bid the unit as Maximum Emergency to conserve and replenish on-site fuel, provided there is not a reliability need to run the unit.
 - NOTE: Depending upon the unit and circumstances, it may be more reliable to move a portion of the unit into the Emergency Max status, thereby allowing the unit to run at Eco Min to remain 'hot' and be able to quickly ramp up if needed.
 - Member Actions
 - Generation Owners will monitor fuel inventory and emissions run hours for all units and notify PJM if a steam unit approaches or falls below 10 days of remaining run time and there are no economic options available to increase the inventory.
 - If requested by PJM, the Generation Owner may elect to offer their unit or a portion of the unit as Maximum Emergency.

- Removing units from the Maximum Emergency Status at PJM's request
 - PJM Actions:
 - PJM will monitor current and forecasted operating conditions. If conditions indicate a potential need to run a resource that is currently in the Maximum Emergency status, PJM will notify the Generation Owner and request the unit be removed from the maximum emergency status and offered as economic. The unit will then be available for economic scheduling
 - NOTE: This request may be made multiple days in advance, day ahead or real time.
 - Member Actions
 - If requested by PJM, the unit owner should remove the unit requested from the Maximum Emergency status and offer the unit economically.
 - NOTE: The Generation Owner can also remove the unit from the Maximum Emergency status under their own volition at any time.
- This process, along with existing market rules, incent generation owners to offer their units economically when they may be needed for reliability.

Non-performance Assessment for Max Emergency Resources

- FERC Capacity Performance Order
 - 478. Consistent with our findings in section V.C of this order, we find that any capacity that is designated by a Generation Capacity Resource as a Maximum Emergency Offer and not dispatched by PJM because of its use of a Maximum Emergency Offer should be considered non-performing for application of Non-Performance Charges.
- As a result of the FERC Order, and consistent with practices prior to this temporary Manual 13 change, unless dispatched down/off by PJM, if a resource does not remove itself from the Maximum Emergency status AND PJM issues any Emergency Procedures that would trigger a PAI (pre-emergency demand response, demand response, etc.) those resources may be assessed a penalty if the sole reason they were not called on is because they are in the Maximum Emergency status.
 - See the “Calculation of Scheduled MW for Penalty” in the document “Non-Performance Assessment Settlement Calculation – Additional Detail”
 - <https://www.pjm.com/-/media/markets-ops/rpm/performance-assessment-settlement-summary.ashx>

- PJM currently posts the RTO Maximum Emergency capacity on Data Miner 2:
 - https://dataminer2.pjm.com/feed/day_gen_capacity
- PJM is exploring options to increase the frequency of this posting.

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