

OFFER CAPPING FOR RESOURCES SCHEDULED PRIOR TO THE DAY-AHEAD ENERGY MARKET

Issue Source

Initiated by PJM

Issue Content

Seeks to improve the existing process of offer capping of long-lead scheduled resources.

Key Work Activities and Scope

1. Provide education regarding existing processes for scheduling resources ahead of the Day-ahead Energy Market.
2. Review and consider updates to existing governing documents regarding offer capping of resources scheduled prior to the Day-ahead Energy Market.
3. Consider appropriate market mitigation for resources committed prior to the Day-ahead Energy Market.
4. Consider alignment of process details among PJM governing documents.

Out of Scope

- Day-ahead & Real-time offer capping.

Expected Deliverables

Deliverables will be incorporated in two phases.

Phase 1:

1. Proposed solution would identify the appropriate schedule used to commit resources scheduled prior to the Day-ahead Energy Market with details updated in PJM's governing documents.

Corresponding revisions to the PJM Tariff or other governing document provisions consistent with the solution endorsed at the appropriate Standing Committee will be brought to the MRC and MC for review and endorsement. Proposed revisions to PJM Manuals conforming to the FERC approved solution will be brought to the appropriate Committees for review and endorsement.

Phase 2:

2. Enhance existing rules to more accurately reflect fuel costs in cost-based offers of resources that are scheduled prior to the Day-ahead Energy Market and to prevent market manipulation.

Decision-Making Method

Tier 1, consensus (unanimity) on a single proposal (preferred default option).

Stakeholder Group Assignment

MIC

Expected Duration of Work Timeline

Phase 1: CBIR Light – this work is expected to begin in March and completed by May.

Phase 2: CBIR – this work is expected to begin in April and completed in six months.

Start Date	Priority Level	Timing	Meeting Frequency
2/5/2025	<input checked="" type="checkbox"/> High <input type="checkbox"/> Medium <input type="checkbox"/> Low	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> Near Term <input type="checkbox"/> Far Term	<input type="checkbox"/> Weekly <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly

Charter

(check one box)

<input type="checkbox"/>	This document will serve as the Charter for a new group created by its approval.
<input checked="" type="checkbox"/>	This work will be handled in an existing group with its own Charter (and applicable amendments).

More detail available in M34; Section 6