


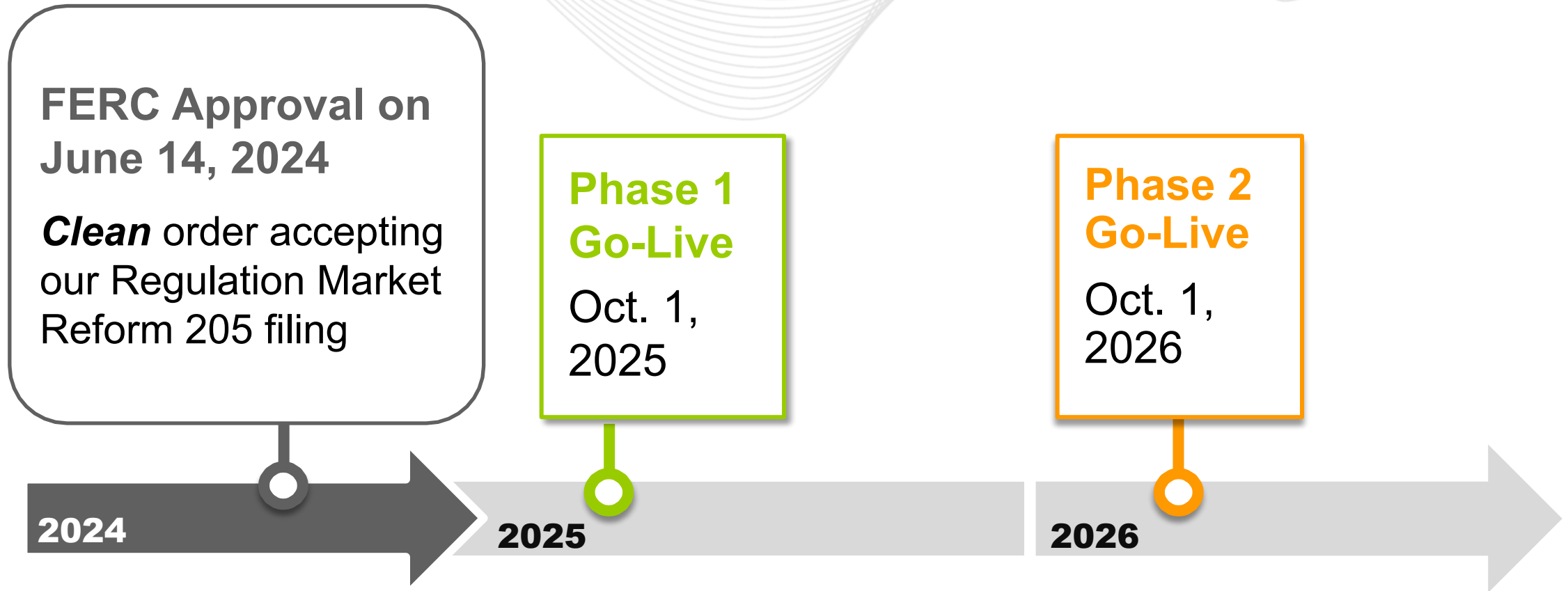


Regulation Redesign Phase 1 Implementation Update

Damon Fereshetian
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Market Implementation Committee
April 2, 2025

Action Required	Deadline	Who May Be Affected
<p>Communicate to staff about the Regulation Redesign Phase 1 implementation</p>	<p>10/1/2025</p>	<p>Regulation Market Participants</p>
		



#	Design Components	Summary Description
1	Signals and Products	Change from two signals (RegA and RegD) bidirectional to one signal bidirectional that all resources that are assigned Regulation in a given market interval will follow.
2	Requirement MW	Changes to better reflect operational needs, with consideration both to historic and future system conditions
3	Performance Scoring	Change from accuracy, delay and precision to precision only.
4	Offer and Clearing Timing	Eliminate “cost increase in VOM” except for Reg-only resources, change from hour clearing and commitment to 30-minute clearing and commitment.
5	Opportunity Cost Calculation Reform	<ol style="list-style-type: none"> 1. Use the schedule the resource is running for energy or else the cheaper of available schedule for offline. 2. Use tracking desired MW at LMP ramp rate limited. 3. Use the area between LMP and the energy schedule the resource is running on.
6	Settlement	<p>For the eligible resources, Settlement will calculate the shoulder interval opportunity cost for two five-minute ramp-in intervals before the resource Regulation operation and two five-minute ramp-out intervals following the resource Regulation operation (currently, three intervals ramp-in and three intervals ramp-out).</p> <p>Also, Settlement will update the calculation for the Regulation Mileage Credit (currently Performance Credit) such that the mileage ratio is equal to [Real-Time Regulation Mileage/Historic Regulation Mileage]</p>

Phase 1 Milestones and Tentative Timeline

No.	Milestone	Timeline
1	Regulation Redesign project – information update at the MIC/OC	April 2025
2	State & Member training	May 2025
3	Markets Gateway Train (Sandbox) Opens for Testing	May or June 2025
4	RegD resources conversion testing begins	June 2025
5	All related manuals first read (Phase 1): M11, M12, M15, M28	July 2025
6	All related manuals endorsed (Phase 1): M11, M12, M15, M28	August 2025 (September if needed)
7	Special education session	August 12 / September 5, 2025
8	Regulation Redesign Phase 1 market opens	Sept. 25, 2025
9	Regulation Redesign Phase 1 go-live (cutover)	Oct. 1, 2025, at 00:00

- [Regulation Redesign Phase 1 – Frequently Asked Questions \(FAQ\)](#)
- [Regulation Redesign Approved Package](#)
- [Regulation Market Design Senior Task Force](#)
- [FERC Acceptance](#)

No.	Inquiry	Email Contact
1	To request a Regulation test	RegulationTesting@pjm.com
2	Regulation telemetry – signal setup or conversion	PJMTelemetrySupport@pjm.com
3	Regulation Redesign questions	RegulationDesign@pjm.com
4	Communication to PJM Member Relations	custsvc@pjm.com

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**Regulation Redesign Phase 1
Implementation Update**



Member Hotline

(610) 666-8980

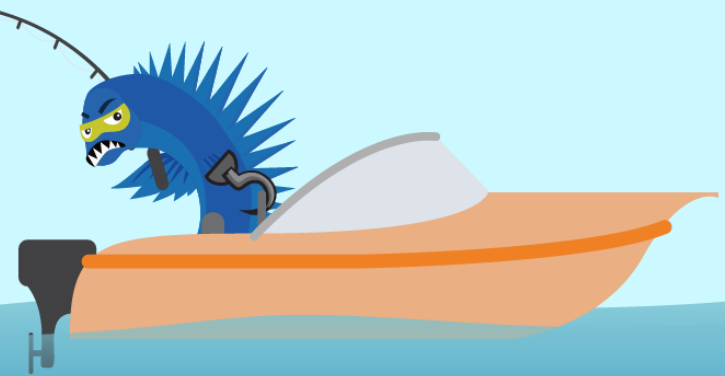
(866) 400-8980

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