

Market Monitor Report

MC Webinar
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IMM



Monitoring Analytics

Synchronized Reserve VOM

- **The OA includes provisions for cost-based synchronized reserve offers not to exceed \$7.50 per MW plus operations and maintenance (VOM) costs.**
- **Only condensing units incur VOM costs to provide reserves.**
- **Resources backed down to provide reserves incur no explicit costs for providing reserves.**
 - **All VOM costs are captured in the energy offer and included in energy market compensation.**

Synchronized Reserve VOM

- **Manual 15 includes a VOM calculation for steam units.**
 - **PJM.com includes a spreadsheet showing the calculation.**
- **CTs and diesels require unit specific, direct approval of any VOM costs from PJM and the MMU.**
 - **Except condensing CTs**
- **No offers over \$7.50 per MW for other CTs and diesels without unit specific approval.**
- **No offers over \$7.50 per MW for any unit without removing VOM costs from the energy market to avoid double counting.**

Synchronized Reserve VOM

- **If a resource includes VOM costs in synchronized reserve offers, the resource must subtract the costs included in the reserve market from the costs included in the calculations for VOM adders in energy market cost-based offers.**
- **The MMU will contact any resources not adhering to the PJM Market Rules pertaining to the synchronized reserve offer.**

Performance Assessment Interval

- **The MMU is reviewing the PAI settlements for October 2.**
- **Existing settlements calculations are not clear .**
- **PJM calculation includes elements that are not documented:**
 - **Measure of ancillary services MW in the calculation of actual performance.**
 - **Use of eDART outage data rather than GADS .**
 - **Allocation of performance to RPM obligations.**
- **Next steps: Review of actual unit performance and unit nonperformance excuses.**
- **Potential for recommended changes to process.**

Monitoring Analytics, LLC

2621 Van Buren Avenue

Suite 160

Eagleville, PA

19403

(610) 271-8050

MA@monitoringanalytics.com

www.MonitoringAnalytics.com

