Market Operations Price Transparency & FERC Order 844

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Market Implementation Committee
May 2, 2018
Past: Accomplishments in 2017

- Education
- Understanding Existing Data & Reporting
- "Drivers of Uplift" PJM.com & Markets Report Enhancements

= Increased Transparency in PJM Markets
Present: FERC Order 844 – Reporting Requirements

- Zonal Uplift
  - Transmission Constraint Penalty Factors
  - Reporting requirements to increase transparency
  - Resource Specific Uplift
  - Operator-Initiated Commitments
### Present: FERC Order 844 – Data Requirements

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<th>Report</th>
<th>Detail</th>
<th>Timing</th>
<th>Categories</th>
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<tr>
<td><strong>Zonal Uplift Report</strong></td>
<td>Requires each RTO/ISO to report the total daily uplift payments in dollars in each category paid to the resources in each transmission zone</td>
<td>Post within 20 calendar days of the end of the month</td>
<td>By Day, by Zone, and Uplift Categories</td>
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<td><strong>Resource-Specific Uplift Report</strong></td>
<td>Requires each RTO/ISO to report the resource name and the total amount of uplift paid in dollars to each resource that received uplift payments within the calendar month.</td>
<td>Post within 90 calendar days following the end of the reporting month</td>
<td>Month, Resource name (plant), Total uplift $</td>
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<td><strong>Operator-Initiated Commitments Report</strong></td>
<td>Requires each RTO/ISO to post all operator initiated commitments. The definition of an operator-initiated commitment to be a commitment after the day ahead market, whether manual or automated, for a reason other than minimizing the total production costs of serving load. Requires that RTOs/ISOs, include, at a minimum, the following three commitment reasons: system wide capacity, constraint management, and voltage support.</td>
<td>Post as soon as practicable, but no later than 30 calendar days after the end of the month</td>
<td>The size of the commitment, transmission zone, commitment reason, and commitment start time</td>
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### Transmission Constraint Penalty Factor

Requires that each RTO/ISO include in its tariff on an on-going basis:

1. the transmission constraint penalty factor values used in its market software;

2. the circumstances, if any, under which the transmission constraint penalty factors can set LMPs; and

3. the procedures, if any, for temporarily changing transmission constraint penalty factor values

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<td></td>
<td>Requires that each RTO/ISO include in its tariff on an on-going basis: (1) the transmission constraint penalty factor values used in its market software; (2) the circumstances, if any, under which the transmission constraint penalty factors can set LMPs; and (3) the procedures, if any, for temporarily changing transmission constraint penalty factor values</td>
<td>Update tariff update to include required details of current practices</td>
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Revisions to the practices surrounding transmission constraint penalty factors are currently under discussion as part of the “Transmission Constraint Penalty Factors” issue.

- MIC special session scheduled for May 10, 9:30am – 12:00pm

Any changes resulting from these discussions will be included in a separate filing.
Future: Order 844 Timeline

- **Federal Register**
  - April 25, 2018

- **Compliance Filing Deadline**
  - September 7, 2018 (within 60-days of effective date)

- **Effective Date**
  - July 9, 2018 (75-days after Federal Register)

- **Tariff Changes Effective Deadline**
  - January 7, 2019 (120-days after compliance filing)