

# Stability Limits in Markets and Operations Implementation Update

Zhenyu Fan Sr. Engineer II, Real-Time Market Operations Market Implementation Committee April 13, 2022

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- Stability Limits in Markets and Operations proposed revisions endorsed at the January 27, 2021 MRC
  - Generator Output Constraint solution package
- Revisions to OA, Schedule 1, section 3.2.3(f) to clarify generators would not be eligible for Lost Opportunity Cost (LOC) credits for reductions associated with honoring stability limits
  - Approved by FERC Order ER21-1802-000 (Feb 17, 2022)
- Changes effective June 1, 2022
  - Implementation details and conforming manual changes presented here



## Generator Output Constraint Package

Component	Solution
Method for enforcing stability limitation	Use new Generator Output Constraint
Constraint reflected in LMP?	No
Outage Ticket Required? EFORd impact?	No
Transparency	Post data on the frequency, location and number of affected units (in adherence with confidentiality rules)
Lost Opportunity Cost paid for reduced output?	No

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## Generator Output Constraint Detail

- Output of generator(s) are controlled within the generator stability limit (MW)
  - Day-ahead and Real Time
- Sum of generator(s) output (plus reserves) are economically dispatched within the stability limit
  - MW Limit ≥ Generator 1 MW + Generator 2 MW + Generator 3 MW...
- Shadow price of generator output constraint is not reflected in LMP



## Stability Limits Modeling and Market Clearing

Stability Inputs: Stability Unit/s, Stability limits (MWs)





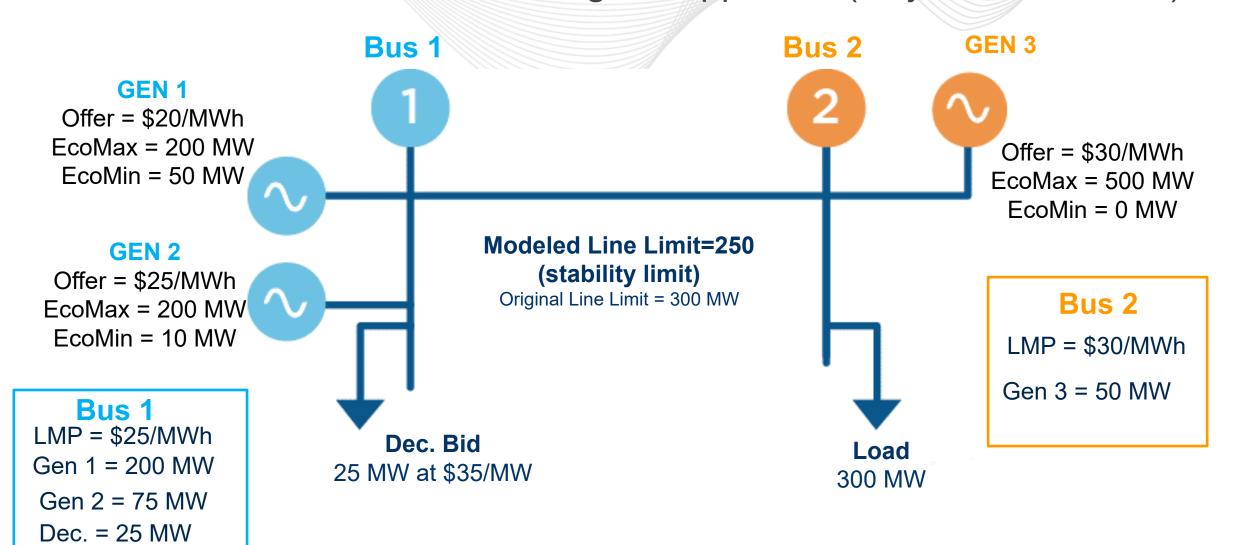
Phone call to Generator Owner: Stability Limit & Unit/s

Transmission Owner: notified via TO Connection

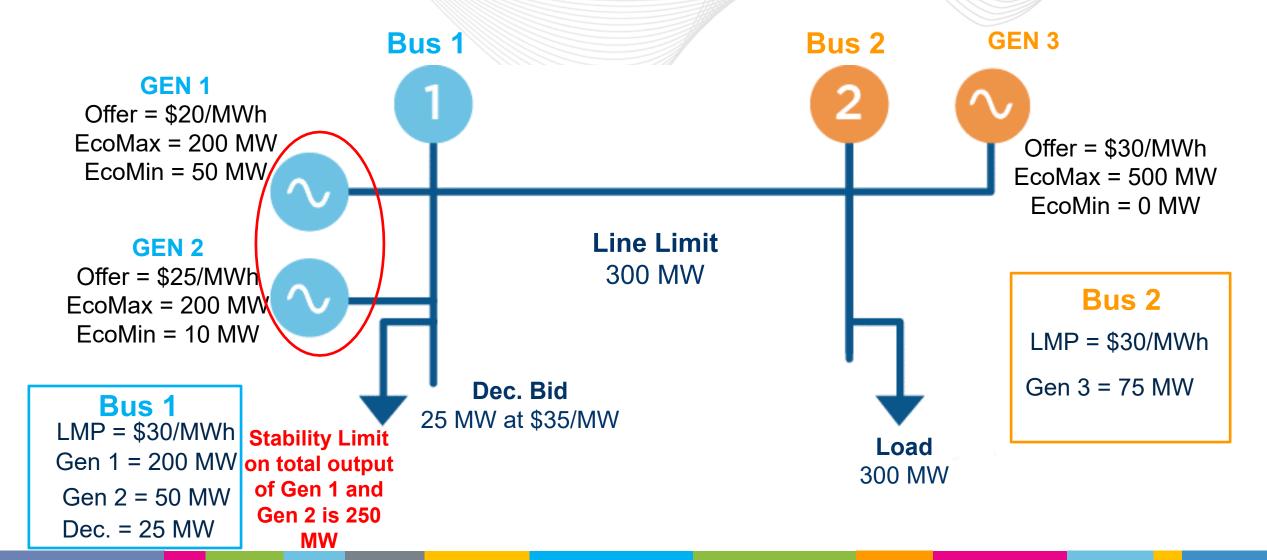
 Timing: Prior to Day Ahead Market Close or as soon as possible for stability limits required in real-time



Clearing Stability Restricted units with Dec in current Thermal Surrogate approach (Day-Ahead Market)



Clearing Stability Restricted units with Dec in new approach (Daypjm Ahead Market)



Clearing Stability Restricted units in current Thermal Surrogate approach (Real Time Market)

#### GEN 1

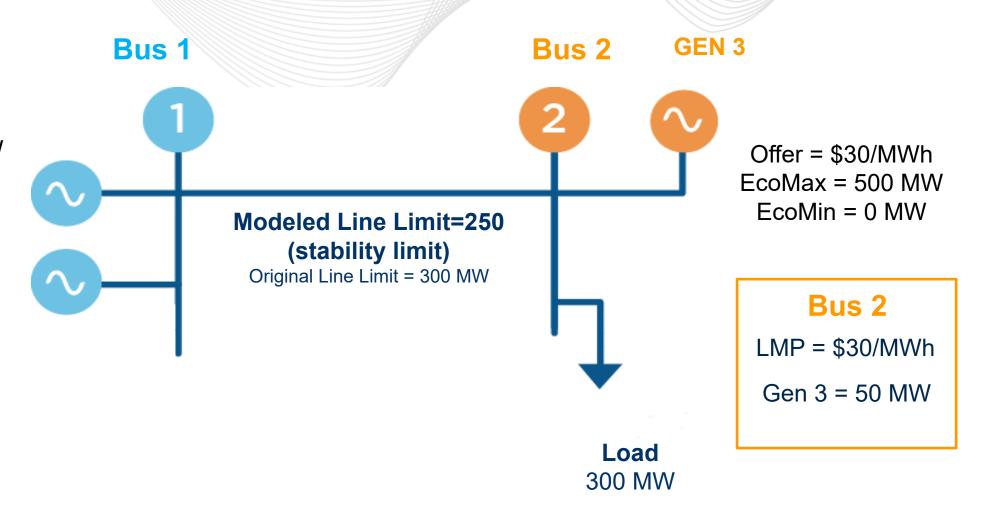
Offer = \$20/MWh EcoMax = 200 MW EcoMin = 50 MW

#### GEN 2

Offer = \$25/MWh EcoMax = 200 MW EcoMin = 10 MW

#### Bus 1

LMP = \$25/MWh Gen 1 = 200 MW Gen 2 = 50 MW



Clearing Stability Restricted units in new approach (Real Time Market)



Offer = \$20/MWh EcoMax = 200 MW EcoMin = 50 MW

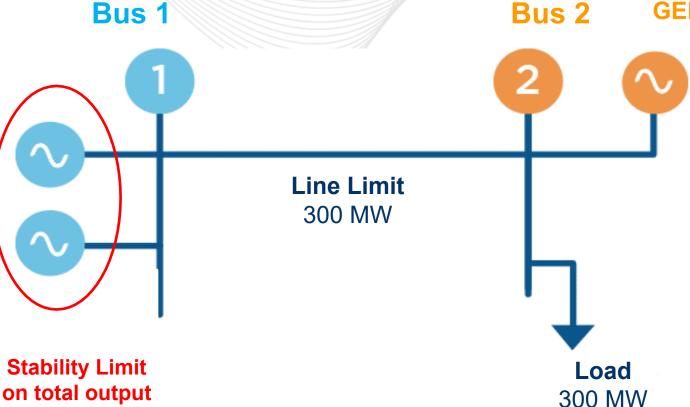
#### GEN 2

Offer = \$25/MWh EcoMax = 200 MW EcoMin = 10 MW

#### Bus 1

LMP = \$30/MWhGen 1 = 200 MW Gen 2 = 50 MW

**Stability Limit** of Gen 1 and Gen 2 is 250 MW



Offer = \$30/MWhEcoMax = 500 MW EcoMin = 0 MW

GEN 3

#### Bus 2

LMP = \$30/MWh

Gen 3 = 50 MW



- Data will be made available to the market to increase transparency on
  - Frequency
  - Location
  - Number of affected units

• In order to respect confidentiality, all reporting will be aggregated to provide the most pertinent data.



## **Markets/Operations: Stability Limits**

Modeling	Generator output constraint
Transparency	<ul> <li>Manual 3: 3.9.1 – Updated stability limitation process (OC)</li> <li>Manual 11: 2.18 – New section on stability limit (MIC)</li> <li>Manual 12: 5.5 – New section stability limited generation (OC)</li> <li>Manual 28: 5.2.6 – Updated language regarding to stability limit (MIC)</li> </ul>
Compliance and Notification	<ul> <li>Generator Owner notified via phone</li> <li>Transmission Owner notified via TO Connection</li> </ul>
Compensation	<ul> <li>Unit receives LMP for MWs</li> <li>No LOC for the MWh reduction due to the stability limit</li> </ul>



# Revisions to Manual 11 – Energy & Ancillary Services Market Operations

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Manual 11: Energy & Ancillary Services Market Operations, Revision 120

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- Section 2.18 Applying Stability Limits in the Market Clearing Engine
  - This new section describes the modeling, clearing and reporting on the stability limit in Market.
- Section 2.18.1 Station stability limit units are also not eligible for LOC credits for the MW reduction associated with honoring the stability limit.



## Manual 28 – Operating Agreement Accounting

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Market Implementation Committee

April 13, 2022

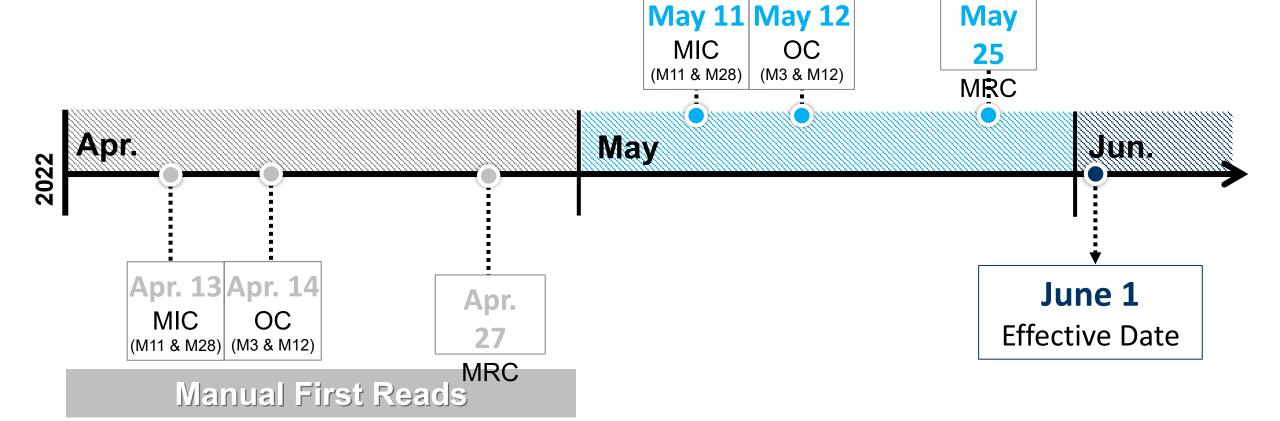
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- 5.2.6, 5.2.6.1, 5.2.6.2 and 5.2.6.4
  - added clarification language that lost opportunity cost credits are not paid for the MWs associated with a stability limit reduction
  - added clarification language on how the Desired MW output will consider the stability limit in effect



### **Second Reads/ Endorsements**





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