

Market-based Parameter Limited Schedule Usage Clarification

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- Language in OA, Schedule 1, Section 6.6 (a) and parallel provision in OATT, Attachment K-Appendix, do not accurately define when market-based PLS schedules are used in commitment
 - CP Filing introduced the subject language and is not consistent with PJM manuals or business practice
 - Manual 11, Section 2.3.4.5 accurately reflects the intended rules
- PJM plans to file amended language to more accurately reflect the business rules

(a) Market Sellers submitting Offer Data for Generation Capacity Resources shall submit and be subject to pre-determined limits on cost-based offers. Such offers must specify parameter values equal to or less limiting, i.e. more flexible, than the defined parameter limits. Such cost-based offers (“parameter limited schedules”) shall be considered in the commitment of a resource when the Market Seller fails the three pivotal supplier test, as further described in Operating Agreement, Schedule 1, Section 6.4.1.

(b) Market Sellers submitting Offer Data for Generation Capacity Resources shall submit and be subject to pre-determined limits on market-based offers conforming to parameter limitations (“parameter limited schedules”). Such market-based parameter limited schedules must specify parameter values equal to or less limiting, i.e. more flexible, than the defined parameter limits. Such market-based parameter limited schedules shall be considered in the commitment of a resource under the following circumstances:

- ~~i. The Market Seller fails the three pivotal supplier test. When this subsection applies, the parameter limited schedule shall be the less limiting, i.e. more flexible, of the defined parameter limited schedules or the submitted offer parameters.~~
- ~~ii. For the 2014/2015 through 2017/2018 Delivery Years, the Office of the Interconnection: (i) declares a Maximum Generation Emergency; (ii) issues a Maximum Generation Emergency Alert; or (iii) schedules units based on the anticipation of a Maximum Generation Emergency or a Maximum Generation Emergency Alert for all, or any part, of an Operating Day.~~

	MRC	MC
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