

Modeling Generation Sr. Task Force (MGSTF) Final Report

May 28, 2020

Issue Creation

<u>Problem Statement</u> and <u>MGSTF Charter</u> brought forward by PJM and approved at the <u>March 23, 2017 Markets and Reliability Committee Meeting.</u>

Issue Summary

In 2016, several PJM members formed the Combined Cycle Owners User Group to work in partnership with interested and similarly situated stakeholders to discuss the design and operation of combined cycle units and their integration into the market and real-time operations of PJM. Over the course of several meetings the user group evaluated the models different RTOs/ISOs are using to model combined cycle units. At the conclusion of the education phase of the user group's work, the group came to the conclusion that a more detailed model for combined cycle units might be equally applicable to other steam units.

The focus of the Modeling Generation Senior Task Force (MGSTF) is to consider expanding the model that is used in PJM's systems to improve the ability to represent the various components of all generation.

Key Work Activities from the Problem Statement:

- 1. Review the work of prior groups addressing the model of combined cycle units to better understand the reasons the model was not implemented or used.
 - 2. Promote understanding of generating plants and their need for a more flexible model.
- 3. Identify and assess the feasibility of market rules/mechanisms to integrate generation resources into PJM's markets such that their operating characteristics are understood, are properly modeled and adequately compensated.
 - 4. Identify necessary changes to OA, Tariff, and manuals needed to implement any new model.

Consensus-Based Issue Resolution Process

18 meetings held between January 2018 and June 2020 Final Matrix

1. Recommended Proposal

The MGSTF accomplished several goals during its work. A <u>stakeholder requirements document</u> was developed listing desired features of combined cycle modeling. This document is being used as input to inform the development of the nGEM system for future implementation. This is a longer term solution to the generation modeling issue.

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The MGSTF also evaluated several short term options to improve generation modeling while the nGEM development continues. These options include:

- Provide market participants with the ability to submit Hourly Differentiated Segmented Ramp Rates for resources in both the Day Ahead and Real Time Markets. This was approved by stakeholders and filed with FERC (Docket ER20-1414) with an anticipated end of year 2020 implementation.
- Add additional segments to the Energy Offer Curve beyond the 10 currently available to increase resource configuration modeling capabilities. This was approved by stakeholders and is anticipated to be implemented by end of year 2020.
- Implement Soak Time modeling of resources to allow Market Sellers to specify in Markets Gateway the Hot/Intermediate/Cold Soak Time(s) for resources and the expected hourly energy output produced prior to the resource becoming dispatchable by PJM. This option failed to receive MGSTF support and will not be implemented in the short term.

Standing Committee Results

December 19, 2019 MRC Meeting

6. Modeling Generation Senior Task Force (MGSTF) Mr. Stan Williams provided an overview of the Modeling Generation Senior Task Force recommended long-term implementation plan with near-term implementation proposals. Following discussion, the MGSTF's recommendations regarding hourly differentiated ramp rates and additional segments were endorsed by acclamation with no objections or abstentions. Mr. Bob O'Connell, PPGI Funds, moved and Mr. Gary Greiner, PSEG, seconded deferring vote on the MGSTF's recommendation regarding soak time to the January 2020 MRC meeting. The motion to defer was approved by acclamation with no objections or abstentions.

January 23, 2020 MRC Meeting

Modeling Generation Senior Task Force (MGSTF) Mr. Glen Boyle provided an overview of the Modeling Generation Senior Task Force recommendation regarding soak time. Following discussion, Ms. Adrien Ford, ODEC, moved, and Mr. Gary Greiner, PSEG, seconded remanding the proposal to the MGSTF for reconsideration and re-voting, returning the issue to the MRC's May, 28, 2020 meeting. Following discussion, the committee approved the motion to remand by acclamation with no objections or abstentions.

January 23, 2020 MC Meeting

Consent Agenda Approved: Proposed revisions to the Open Access Transmission Tariff (OATT) and OA related to the Hourly Differentiated Ramp Rate changes originating from the Modeling Generator Senior Task Force (MGSTF).

May 15, 2020 MGSTF Meeting

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Soak Time issue <u>failed</u> to receive required 50% support from the MGSTF and will not move forward to the MRC. The issue received 14% support.

Appendix I: Supplemental Documents

MGSTF Committee Page
Modeling Generation in Markets Gateway Issue Tracking
Segmented Ramp Rates Filing – FERC Docket ER20-1414

Appendix II: PJM Participation

Facilitator: Stan Williams (through end of 2019); Glen Boyle (2020)

Secretary: Megan McLaverty (through end of 2019); Lauren Strella Wahba (2020)

Subject Matter Expert: Tom Hauske Subject Matter Expert: Becky Davis Subject Matter Expert: Keyur Patel Subject Matter Expert: Angelo Marcino Subject Matter Expert: Ray Fernandez Subject Matter Expert: Troy Cawley Subject Matter Expert: Jeff Hoffman

PJM Legal: Thomas DeVita

Appendix III: Stakeholder Participation

Monitoring Analytics, LLC Not Applicable Abramowitz Jeremy FirstEnergy Solutions Corp. Transmission Owner Benchek Jim Chang Sean Shell Energy North America (US), L.P. Other Supplier Dailey Mike Northern Virginia Electric Cooperative **Electric Distributor** First Energy Solutions Corp D'Alessandris Lou **Transmission Owner** Davis Jim Dominion Energy Marketing, Inc. **Generation Owner Denby Brett** NOVEC Not Applicable Ferguson Mike Indeck Energy Services, Inc. Other Supplier Filomena Guv Customized Energy Solutions Ltd. Not Applicable Foladare Kenneth Geenex Solar LLC **Generation Owner** Ford Adrien Old Dominion Electric Cooperative **Electric Distributor** Fusek David Appalachian Power Company **Transmission Owner** Gates Terry Appalachian Power Company **Transmission Owner**

Gilani Rehan ConEdison Energy, Inc. Other

Greiner Gary PSEG Energy Resources and Trade LLC Not Applicable

Hastings David PJM Committee Voting Generic Account None

Helms Joe Rainbow Energy Marketing Corporation Other Supplier
Hoatson Tom West Deptford Energy, LLC Generation Owner
Hohenshilt Jennifer Talen Energy Marketing, LLC Generation Owner
Horning Lynn Customized Energy Solutions Ltd. Not Applicable

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Hvzinski Tom Jha Monica Johnson Carl Johnston Dave Kogut George Lowe Connie Luna Joel Mabry David Midgley Sharon Nelson Floyd Ondayko Brock Poulos Greg Sasser Jonathan Schmatz Peter Sweeney Rory True Roy Tyler Catherine Vitiello Jacki Whitehead Jeff

Wisersky Megan

GT Power Group, LLC Not Applicable **Generation Owner** Big Level Wind LLC Not Applicable Customized Energy Solutions Ltd. Not Applicable Other New York Power Authority Other Supplier Transmission Owner Dominion Virginia Power Monitoring Analytics, LLC Not Applicable McNees, Wallace & Nurick, LLC Not Applicable Exelon Business Services Company, LLC Transmission Owner NRG Power Marketing, LLC Generation Owner Appalachian Power Company **Transmission Owner** CAPS None Customized Energy Solutions, Ltd. Not Applicable PSEG Energy Resources and Trade LLC Not Applicable GT Power Group, LLC Not Applicable **ACES Power**

Monitoring Analytics, LLC
Dominion Energy Marketing, Inc.
GT Power Group, LLC
Madison Gas & Electric Co.
Not Applicable
Not Applicable
Other Supplier