

Electric Gas Senior Task Force
Red Oak, Rockland Capital, and J-Power Proposals
Package G & H

Summary

Over the last two years of the Electric Gas Senior Task Force (EGSTF) the group has discussed various elements regarding the disconnect between the electric day and gas day, with clear recognition around the start and stop times and the NAESB Nomination timelines. In focusing on what PJM has the ability to control and change as a forward benefit for the grid, aligning intra-day real-time commitment processes with the gas day nomination timeline is one of those items. The addition of these real-time commitments offers an additional mechanism for PJM to address load forecast error in a proactive manner.

Upon review from the October 18 and October 19 meetings, an additional package (H) has been added for consideration. Both packages (G & H) are identical but for the number of intra-day real time commitment runs: package G remains at three and package H has two.

Package Components

The key elements of both package G and package H are the alignment of the NAESB Nomination timelines intra-day of the electric days while allowing PJM flexibility to commitment resource based on load forecast error and current operational parameters.

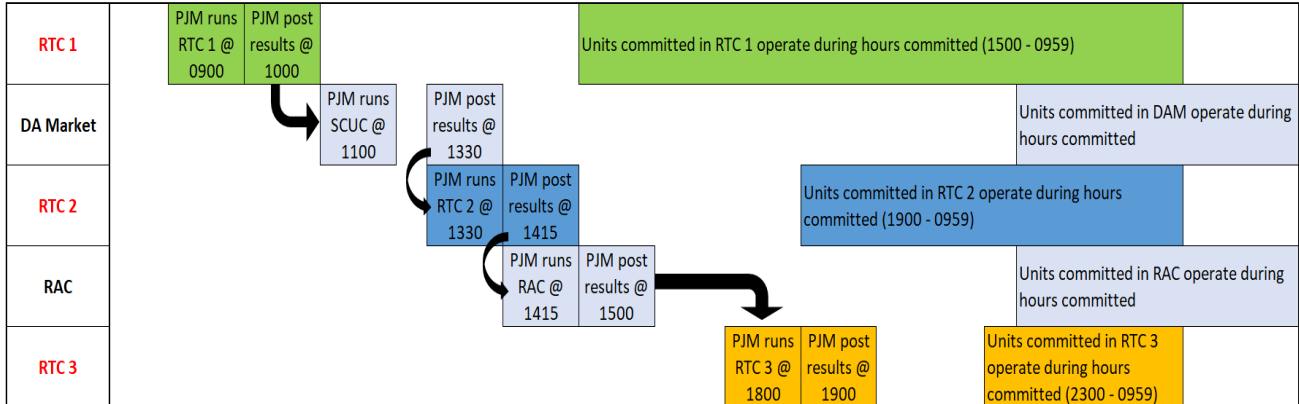
Times listed below are Hour Begin.

1. Real-time Commitment (RTC) process

- a. Execute daily.
- b. Establish defined start times for each process, which aligns with the gas day nomination deadlines and provides ample time for processes. The hours listed below are the start times for each process with the expectation that commitment will be known 1 hour prior to the close of the intra-day nomination window to allow time for purchases of natural gas commodity to flow on the pipeline. For example, for RTC1, commences at 0900 to be completed with commitments at 1000, and the Intra-Day 1 nomination window closes at 1100.
 - i. Package G: RTC1 = 0900; RTC2 = 1330; RTC3 = 1800
 - ii. Package H: RTC2 = 1330; RTC3 = 1800
- c. Each process reviews commitments from defined 'will not start before' times, which aligns with gas day nomination start times. The hours listed below are the generator operation start times that coincide with the start of nominated gas flowing on the pipelines. For example, for a commitment made in RTC3, with gas purchased between 1800 and 1900, and nominated flows at 1900, generator operations begin at 2300 when gas begins to flow on the pipeline.
 - i. Package G: RTC1 = 1500; RTC2 = 1900; RTC3 = 2300
 - ii. Package H: RTC2 = 1900; RTC3 = 2300

	TUESDAY														WEDNESDAY											
Hour Begin	0	-	9	10	11	12	13	14	15	16	17	18	19	20	-	23	0	1	2	-	8	9	10	11	-	23
Hour End	1	-	10	11	12	13	14	15	16	17	18	19	20	21	-	24	1	2	3	-	9	10	11	12	-	24

Gas Nom.		ID1 @		Timely @	ID2 @		Evening	ID3 @	
Deadlines		1100		1400	1530		@ 1900	2000	



- d. Uses a resource’s parameters, especially, Notification Time and Minimum Run Time, that are updated throughout each Intra-Day nomination cycle period as outlined in the joint IMM-PJM memo.
- e. Resource’s offer updated in accordance with Fuel Cost Policy.
- f. Resource will perform for the duration of the Minimum Run Time parameter.
- g. All resource commitments will be included in future commitment runs to avoid over commitment.
- h. All resource fuel types included for commitments.
- i. All resource commitments are real-time physical.

2. Resource Parameters & Communication Protocols of Fuel Limitations

- a. Resources are required to keep all operating parameters current and reflecting the resources capability. As PJM commits resources, the resources are required to procure the fuel needed for the commitment. No additional administrative actions are needed.
- b. Start discussions to create a new operating parameter that provides further information to PJM dispatch regarding hours of operations due to fuel restrictions placed on resource. This can be based on the MWh the resource can run given the fuel the fuel it has available to it.
- c. As current practice allows, Temporary Exceptions allows for different operating parameters on a limited timeframe as far as submitted at least one business day prior to commencement, therefore, intra-day changes appear to be restricted with current OA language. Encourage and would like to support real-time Temporary Exception process, which is currently not permitted in the OA, with the additional proper OA language to support such effort that mirrors the ideas behind PJM’s Real-time Values changes approved by the members but rejected by FERC in 2021. Ideally, PJM and IMM to re-file at FERC replacing the Real-time Values language with real time Temporary Exception.

3. Cost Recovery – Credits and Charges

- a. Credits
 - i. Utilize current rules associated with Lost Opportunity Costs and Canceled Pool-Scheduled Resources

- b. Charges
 - i. Utilize current rules associated with Lost Opportunity Costs, Make Whole and Canceled Pool-Scheduled Resources

4. *Natural gas volume commitment*

- a. Utilizing the proposed RTC process and resource's parameters rather than requiring a report to say fuel is available even if not being committed by PJM.
- b. Resources retain the option to self-schedule and all current rules apply associated with the option.

5. *CT firm commitment in Day-ahead*

- a. Matrix document stated "Status Quo: Gas units that do not meet the Flexible Resource definition that clear DA are treated the same as STs/CCs in real time. OA Definition. "Flexible Resource" shall mean a generating resource that must have a combined Start-up Time and Notification Time of less than or equal to two hours; and a Minimum Run Time of less than or equal to two hours." That is, the resources will run based on their DA commitment just as STs and CCs are expected to do, and those inflexible gas resources need not wait for additional instructions before running to their DA commitment.
- b. Agree with this method, however, it is not documented in any Manuals. To remove future discussion, codify rules within Manual.

6. *Implementation*

- a. Start new process on or by December 1, 2023. To carry out the RTC does not require a Tariff or OA change itself, just Manual and process changes.
- b. Implementing language for real-time Temporary Exceptions does require OA and Tariff changes with FERC, or decision by FERC in the Show Cause docket by December 1.
- c. Conduct new processes as a pilot for 5 months.
- d. PJM and Stakeholders agree to meet monthly to review data and discuss overall process to determine potential enhancements from either PJM or stakeholder.
- e. Present findings after the 5-month period and conduct stakeholder vote if pilot should be come finalized process.