



# DARRCA Final Report

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|                                   | Allocation of day-ahead operating reserve costs for units called on for reliability   | Allocation of costs for units providing reactive service in real time  |
|-----------------------------------|---|--|
| <b>Market</b>                     | The Day-Ahead Energy Market   | The Real-Time Energy Market  |
| <b>Impacted</b>                   | Charges   | Charges/Credits  |
| <b>Tasks</b>                      | Review the allocation filed with the FERC on November 30, 2012.   | Consider the start and no load make whole cost allocation  |
| <b>How it got here</b>            | PJM made a change to commit reliability units in The Day-Ahead Energy Market on September 13, 2012. PJM filed to allocate the costs for reactive, black start and reactive interface control as it is allocated in The Real-Time Energy Market. | The PJM Independent Market Monitor believes start and no load costs for units providing reactive services should not be paid by balancing operating reserves but instead allocated like the rest of reactive service make whole costs. |
| <b>Why are we looking at this</b> | The FERC requested a stakeholder process to review allocation changes   | This was presented as a problem statement, requested by the Market Monitor, and approved by PJM stakeholders.  |