

Transparency of Operational Changes

Public advance notice of pricing changes creates a level playing field for all market participants.

- Currently PJM does not have a document process whereby sufficient notice is provided to market participants during the creation of a closed loop interface.
- Historically PJM has created closed loop interfaces with very little notice (e.g., one day – ATSI, NEWCASOE, PLWESCO.)
- PJM currently does not provide notice: (i) that it has uncovered the potential need for a new constraint as soon as it has uncovered the potential for change; and (ii) of the results of their study and conclusions via e-mail and discussion at the next markets related committee meeting (e.g., MIC or MRC)
- Consider if implementation should be announced prior to the next monthly FTR or Balance of Planning Period FTR auction for effective dates starting no sooner than the beginning of the next month.
- Transparency is the basic tenet of efficient competitive markets.

Operational Transparency – Public advance notice of pricing changes creates a level playing field for all market participants.

Issue Source: DC Energy

Key Work Activities: Discuss (i) if there should be a public notification of the potential creation of a closed loop interface; (ii) if the MIC agrees prior public notification is appropriate, what the timetable should be for such notification; (iii) if the MIC agrees prior public notification is appropriate, what the specific notification mediums (e.g., PJM e-mail, PJM meetings, etc.) should be for such notification; (iv) if the MIC agrees prior public notification is appropriate; and (v) if other public prior notification of operational changes (e.g., System Protection Schemes) should conform to the agreed upon methodology.

Expected Deliverables: The MIC should present appropriate Manual, Operating Agreement and Tariff changes necessary if agreement reached on a specific process for public notification of operational changes.

Design Components	Priority	Status Quo	Package Proposal
Minimum posting timing for closed loop interfaces	High	0 Days Sub-zonal DR is day before	Implementation should be announced 5 days prior to the next FTR auction close
Good Faith Measures	Medium	Stakeholder notification as far in advance as possible	Requirement
Trigger for Notification	Medium	Creation of a closed loop interface and when it's known a closed loop interface will be implemented	Stakeholder notification as far in advance as possible; will provide notice when PJM is studying a new closed loop interface that will be defined and able to be used, such as looking into modeling the interface.
Notification Mechanism	Medium	Post on website – OASIS System Information which triggers an email to the MIC OC and MIC information items	Post on website – OASIS System Information which triggers an email to the MIC OC and MIC information items

Design Components	Priority	Status Quo	Package Proposal
Timing Exceptions	Medium	None	Estimated short duration planned, emergency or maintenance outages, (e.g., <10 days) to set price. To allow DR to set price if a transmission limitation exists as defined in the tariff and manuals.
Contents of Notification	Medium	Interface Name Effective Date Estimated Termination Date if applicable Whether included in DA Whether included in FTR Conditions when use is applicable General Description Interface Definition/Branch names and directions Price setting for DR, generation, or both? Revision history	Status quo plus post interface definition with network model mappable branch names in CSV or XLS format. Advisory notice if details are still being studied