

Max Emergency Proposal

OC – Max E Special Session
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Maximum Emergency

- **OA Section 1 (Definitions):**
- **“Maximum Emergency” shall mean the designation of all or part of the output of a generating unit for which the designated output levels may require extraordinary procedures and therefore are available to the Office of the Interconnection only when the Office of the Interconnection declares a Maximum Generation Emergency and requests generation designated as Maximum Emergency to run.**

Maximum Emergency

- **Committed Capacity Resources can offer MW as maximum emergency (max E) under four categories:**
 - **Environmental Limits**
 - **Fuel Limits**
 - **Temporary Emergency Conditions**
 - **Temporary MW Additions**

IMM Proposal Summary

- **Expand current “Fuel Limits” max E category to cover consumables (e.g. limestone, water, etc.).**
- **Describe each of the conditions needed to qualify for fuel limited max E.**
- **Create a new availability status to address fuel limited MW that do not qualify as max E.**
 - **Include a penalty based on daily capacity revenues.**
- **Clarify the triggers for the use of max E for environmentally limited resources.**

Fuel Limits Definition

- **Fuel limits: If physical events beyond the control of the resource owner result in the temporary interruption of fuel supply and there is limited onsite fuel storage. A fuel supplier's exercise of a contractual right to interrupt supply or delivery under an interruptible service agreement shall not qualify as an event beyond the control of the resource owner.**
- **Manual 13 states an additional condition: Inventories below 16 hours (CTs) and 32 / 240 hours (steam).**
 - **240 hour limit added recently in response to coal issues**

Fuel Limits Issues

- **Conditions needed to be met are listed but not quantified precisely and do not have verifiable standards.**
- **Only covers fuel, does not include consumables.**
- **Only Manual 13 mentions inventory levels, which is not a condition in the OA.**
- **Provides no explicit alternative if conditions are not met.**

Fuel Limits: IMM Proposal

- **Expand current category to include consumables.**
- **Define conditions needed to meet fuel/consumable limits category:**
 - **Physical Event:** A physical event that affects the infrastructure used to procure, treat or transport fuel/consumable.
 - **Beyond Owner's Control:** Owner has no other means to procure fuel for normal operation.
 - **Temporary Interruption:** No longer than seven days. Supplier must provide documented timeline for when operations are expected to be back to normal.
 - **Limited Onsite Fuel Storage:** Change language from storage to inventory. Limited defined by hours in Manual 13 (16 for CT, 32 for ST).
 - **Not Interruptible Service:** Cannot be based on an interruptible contract or on having no contract at all.

Fuel/Consumable Conservation: IMM Proposal

- **Create a new availability status category for units that do not meet the Max E Fuel Limits criteria:**
- **Fuel/Consumable Conservation:**
 - **To be used when a committed resource is fuel limited (10 days or less of fuel in inventory) and max E criteria do not apply.**
 - **Units using new category would be assessed a charge equal to:**
 - $[(\text{Committed ICAP} \times \text{BRA Price}) / 24] \times \text{Hours Offered at Max E}$
 - **Revenues from charges will be allocated to LSEs by day based on LSEs' capacity charges.**
 - **PJM can call resource to prevent reliability violations.**

Environmental Limits Definition

- **Environmental limits.** If the resource has a limit on its run hours imposed by a federal, state, or other governmental agency that will significantly limit its availability, on either a temporary or long-term basis. This includes a resource that is limited to operating only during declared PJM capacity emergencies by a governmental authority.
- **Manual 13 adds additional condition: Hours below 16 / 24 (CTs) and 32 hours (steam).**

Environmental Limits IMM Proposal

- **OC adder should be used first when applicable.**
- **Units that can operate for reliability without the need for PJM to declare Max Gen cannot use Max E (e.g. IL CEJA units).**
- **Units that can operate during emergencies (authorized by the environmental agency) can only use Max E once hours left are less than PLS min run time plus one hour.**
- **Any unit that has a hard limit (i.e. cannot exceed limit even during emergencies) can use Max E based on the hours in Manual 13 (16 CTs, 32 STs).**

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