

Market participant consequences for not reflecting known actual operating conditions in submitted operating parameters (not using RTV). This excludes failing to meet submitted operating parameters due to emergent, unforeseen issues at the plant e.g. issues during startup or unit trip.

1. With regards to a penalty for not using RTV, do you prefer to retain the status quo which currently has no explicit monetary penalties required?
 - a. Yes
 - b. No
2. Which of the penalty structure options for not using RTVs do you most strongly support?
 - a. Considered a violation of FERC market behavior rules. Daily financial penalty in PJM tariff when incorrect parameter identified by PJM or IMM in any submitted offer (PLS or non-PLS) and Market Participant/PJM was not having technical issues submitting actual operating parameters.

For committed capacity resources, two times the penalty for using RTVs assuming RTVs submittals for the last 12 months.

If violation coincides with PAI, penalty for that day will be max (penalty for inaccurate parameter, capacity deficiency charges, and nonperformance assessment charges).

For resources without capacity commitment, a fixed escalating penalty. First violation - \$1,000, second violation \$2,000 and so on

- b. PJM will include RTV in the tariff including that multiple discrepancies or incidences of misrepresentation of parameters may result in PJM referring the market seller to FERC.

1. In the case in which a market participant is reported on the dispatcher discrepancy report, and this is determined by PJM to be a misrepresentation of known operating conditions, a RTV penalty charge will be assessed.

a. Penalty Charge for Misrepresentation of Operating Parameters: $\text{Sum}(\text{Emergency Max} * \text{RT LMP at the pnode for 24 hours})$.

b. The 24 hour period will be the operating day for which the log was generated.

2. Market Participant will be required to enter a forced outage ticket into eDART and eGADS for the period of increased notification, start-up time and/or minimum downtime.

- c. Status quo; i.e., 18 CFR 35.41 (FERC Market Behavior Rules) governs failure to submit an RTV to reflect known operating conditions. No explicit penalties required.
- d. Other (please specify in open text box)

Market participant Consequences for using RTV to override unit specific parameters on the price based PLS or cost based schedules.

1. With regards to a charge for using RTV, do you prefer to retain the status quo which currently requires a forfeiture of Make-whole payments if committed on Price PLS or Cost Schedule that have RTV that are less flexible than the unit's USP Values. Make whole can be paid out if proper documentation is submitted within 30 days of billing cycle as per M11?
 - a. Yes
 - b. No
2. Which of the charge structure options for using RTVs do you most strongly support?
 - a. Forfeit capacity revenues on a daily basis. Calculated as:
 $(\text{BRA Price} * \text{Committed UCAP} * \text{Penalty Intervals}) / 288$

Where Penalty Intervals =

$\max(\text{Min Run Time} * A, \text{Economic Intervals})$, where:

A = 0 when unit is either unavailable or online for all 24 hours, else 1.

Economic Intervals = number of intervals during the day in which:

- 1) the unit submitted an RTV more inflexible than its PLS and
- 2) the unit was available and offline and
- 3) the unit lowest offer at Eco Min is equal to or less than the RT LMP

If RTV submission coincides with PAI, penalty for that day will be $\max(\text{RTV capacity penalty, capacity deficiency charges, nonperformance assessment charges})$.

- b. In the case when market participants use RTV to override unit specific parameters on the price based PLS or cost based schedules (the unit specific parameter or any approved PLS exception), the consequences are the following:

During a hot weather or cold weather alert or max generation emergency: if market participant uses RTVs to modify a schedule resulting in an offer with more limited parameters, a RTV adjustment charge will be assessed. Or if a unit is determined to have been needed by PJM then a RTV adjustment would apply:

- a. RTV Adjustment Charge requesting RTV: $\text{Sum}(\text{Emergency Max} * \text{RT LMP at the pnode each hour of each day that they use the RTV in the hourly schedule}) / 100$ Or $\text{Sum}(\text{Emergency Max} * \text{RT LMP at the pnode each hour of each day}) / 100$
- b. RTV Adjustment Charge allocated back to LSEs by hourly load share.
- c. RTV override penalty: Required forced outage for duration of RTV override (penalty is in addition to loss of recourse to make-whole payments). RTV overrides subject to penalty: penalties only apply to start-up and notification time parameter RTV overrides. See Row 9 below. Conditions: forced outage penalty only applies during enumerated system conditions: Hot Weather Alert, Cold Weather Alert, and Max Gen Emergency. Resource can utilize Manual 11, 2.3.4.4 to seek make whole compensation.

- d. Status quo
- e. Other (please specify in open text box)

General

1. Please rate your willingness to compromise on the following design components:
 - a. Penalty structure for not using RTVs
 - i. Not willing to compromise
 - ii. May be willing to compromise
 - iii. Most willing to compromise
 - b. Charge structure for using RTVs
 - i. Not willing to compromise
 - ii. May be willing to compromise
 - iii. Most willing to compromise