

PJM Package Summaries for EMUSTF – November 9, 2016

Phase 1, Package A:

PJM's package A is intended to make minimal changes to the current calculation of uplift costs in PJM. Design component 4a represents the only proposed change from the status quo. That component addresses what PJM believes to be a problem with the current uplift calculation methodology. The change is to include the day-ahead revenues from the hours the resource operated in real-time in the determination of Balancing Operating Reserve credits. The current method of including all day-ahead revenues can result in resources not being completely made whole for real-time operating costs because day-ahead revenues in hours in which they did not operate in real-time offset their make whole payment.