



# June 1 Settlements Updates

Markets Settlement Subcommittee  
June 12, 2023

- The following areas were impacted by approved market rule adjustments effective June 1:
  - Startup Cost Calculation Changes
  - Hybrid Resource Participation in Energy Markets
  - ARR/FTR Changes
- The following RPM assessments have not had associated billing in recent years, but will be assessed starting the June Bill
  - Generation Resource Rating Test Failure charges
  - FRR Deficiency Charges

- New Startup Cost Calculation Changes for units with a soak process (Steam, CC, Nuclear)
  - Operating Reserves will not be paid during Soak Time
  - See education slides for more information
    - <https://www.pjm.com/-/media/committees-groups/committees/mic/2023/20230313-special/item-01---start-up-cost-calculation-education.ashx>

- FERC's approval of Docket No. ER22-1420-002 (July, 2022) allows hybrid resource participation in Energy and Ancillary Service Markets
  - Hybrid Resources are settled using the Energy Storage Resource model
  - Supporting M-27 and M-28 updates are summarized in the stakeholder summary slides reviewed at the MIC and MRC
    - <https://www.pjm.com/-/media/committees-groups/committees/mic/2023/20230510/20230510-item-04-1---hybrids-phase-i-manual-revisions.ashx>

- Stage 2 of the Annual ARR Allocation - Sink points expanded to include any available generator, interface, hub, or zone (FERC Docket ER22-797-000).
  - See April MSS materials for more information:
    - <https://www.pjm.com/-/media/committees-groups/subcommittees/mss/2023/20230417/20230417-item-02---arr-target-credits-msrs-report-update.ashx>

- Generation Resource Rating Test Failure
  - Generation capacity resources that fail a capacity test pay this charge which is allocated to eligible LSEs. This billing is performed in the June billing cycle after the conclusion of the delivery year.
  - Appears on Invoice under Line Item: 1662/2662
- FRR Capacity Resource Deficiency settlements
  - <https://www.pjm.com/-/media/committees-groups/subcommittees/mss/2023/20230515/20230515-item-01---frr-capacity-resource-deficiency-settlements.ashx>
  - Appears on Invoice under Line Item: 1681/2681

## Questions?

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