



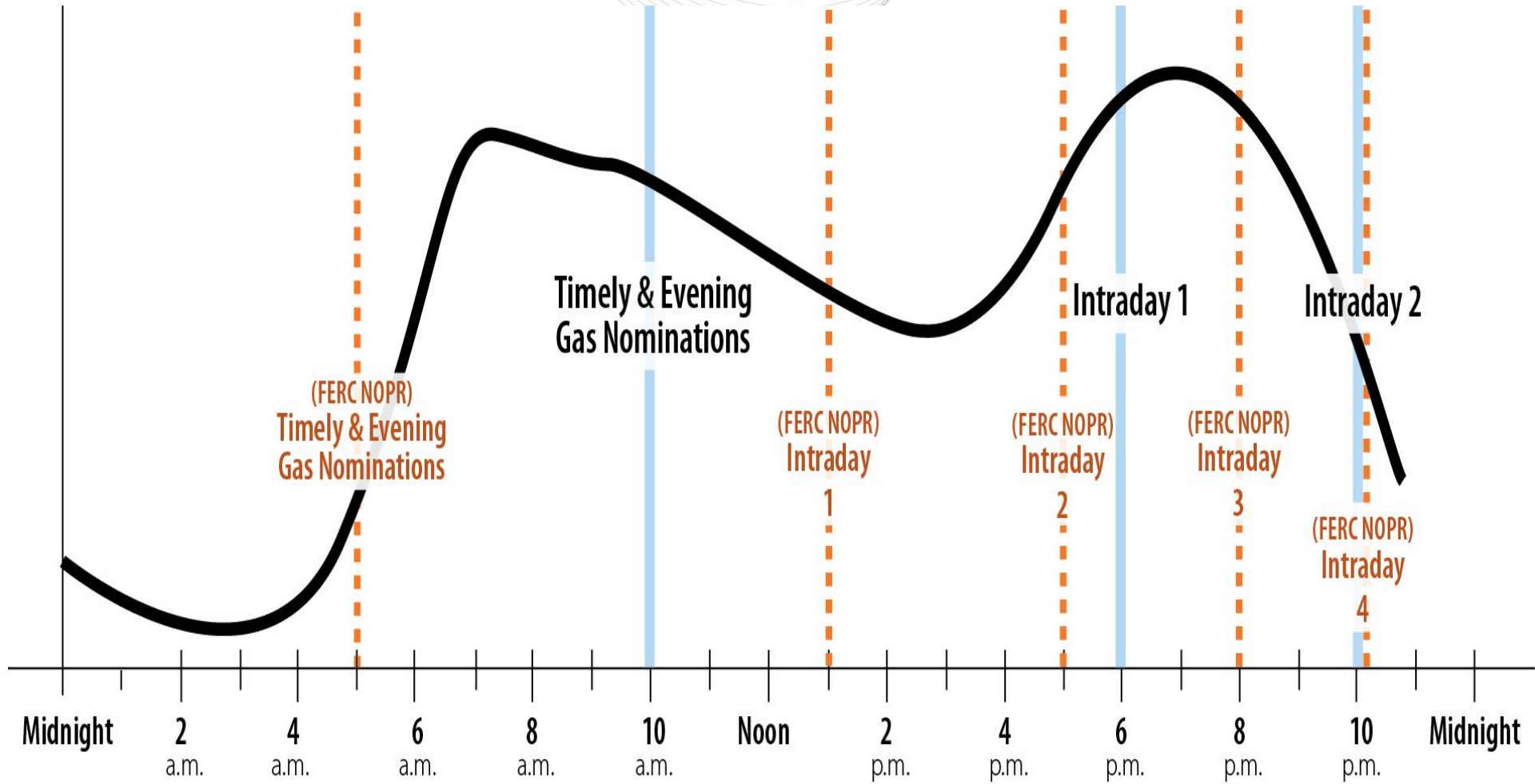
# PJM Gas Electric Coordination

NAESB Gas Electric  
Harmonization

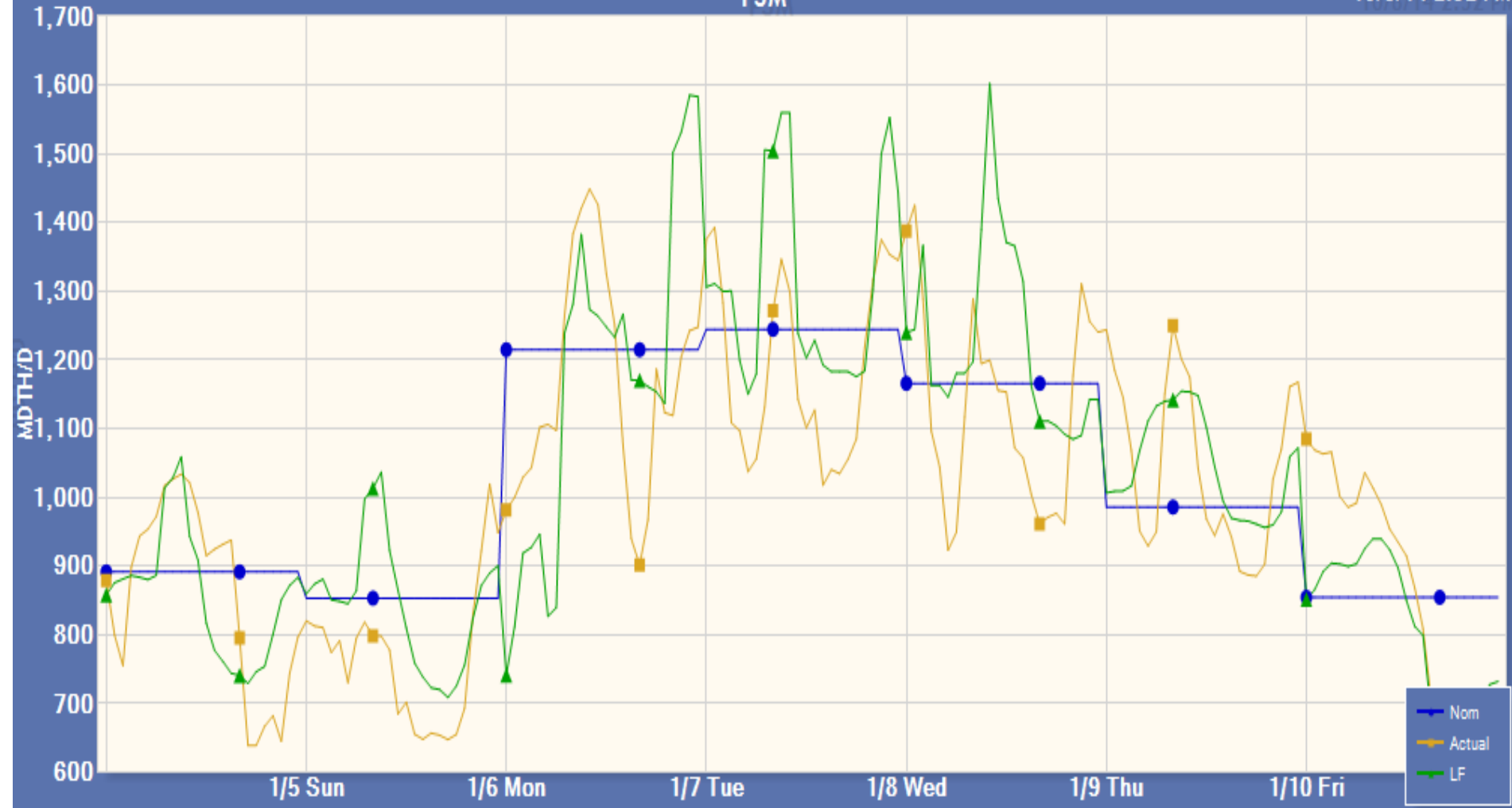
February 18, 2016

- Agenda
  - Gas Electric Coordination at PJM
    - Actions to Date
    - Planned Actions
    - Future Gas Electric Coordination Improvements

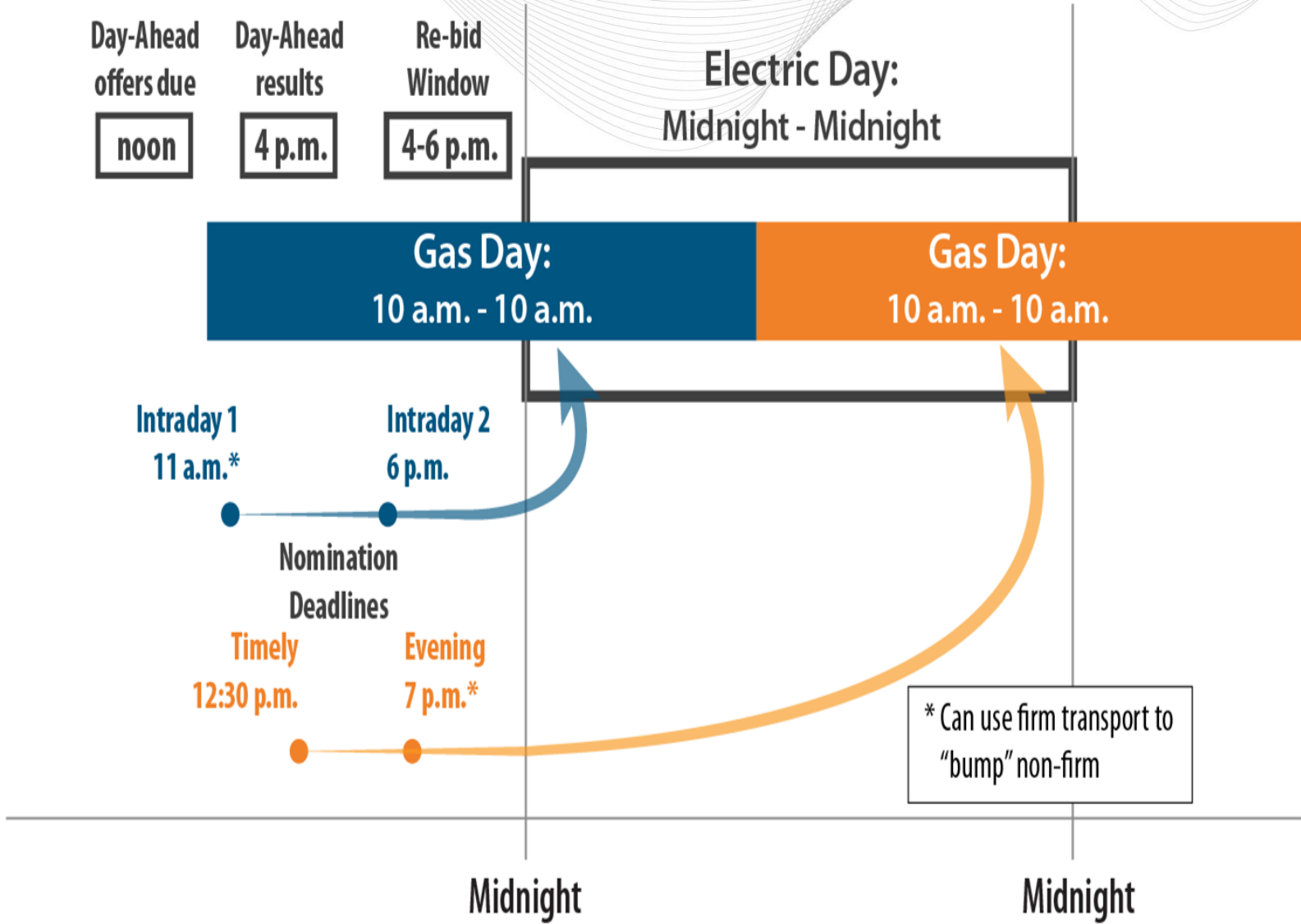
- Actions to Date
  - Established Gas Electric Coordination Team (November 2015)
    - Team performs daily operational risk assessment for all natural gas fired generating units within the PJM footprint based on interstate pipeline and LDC conditions
  - Established Memorandum of Understanding with nine interstate pipelines
    - MOU solidified the sharing of information as defined in FERC Order 787
  - Established weekly operational calls with interstate pipelines
    - Share current operating conditions and identify issues that may impact generator reliability
  - Modified Day Ahead Scheduling Timing – Effective 4/1/16
  - Reducing time to solve Day-Ahead clearing engine from 4 -> 3 hours



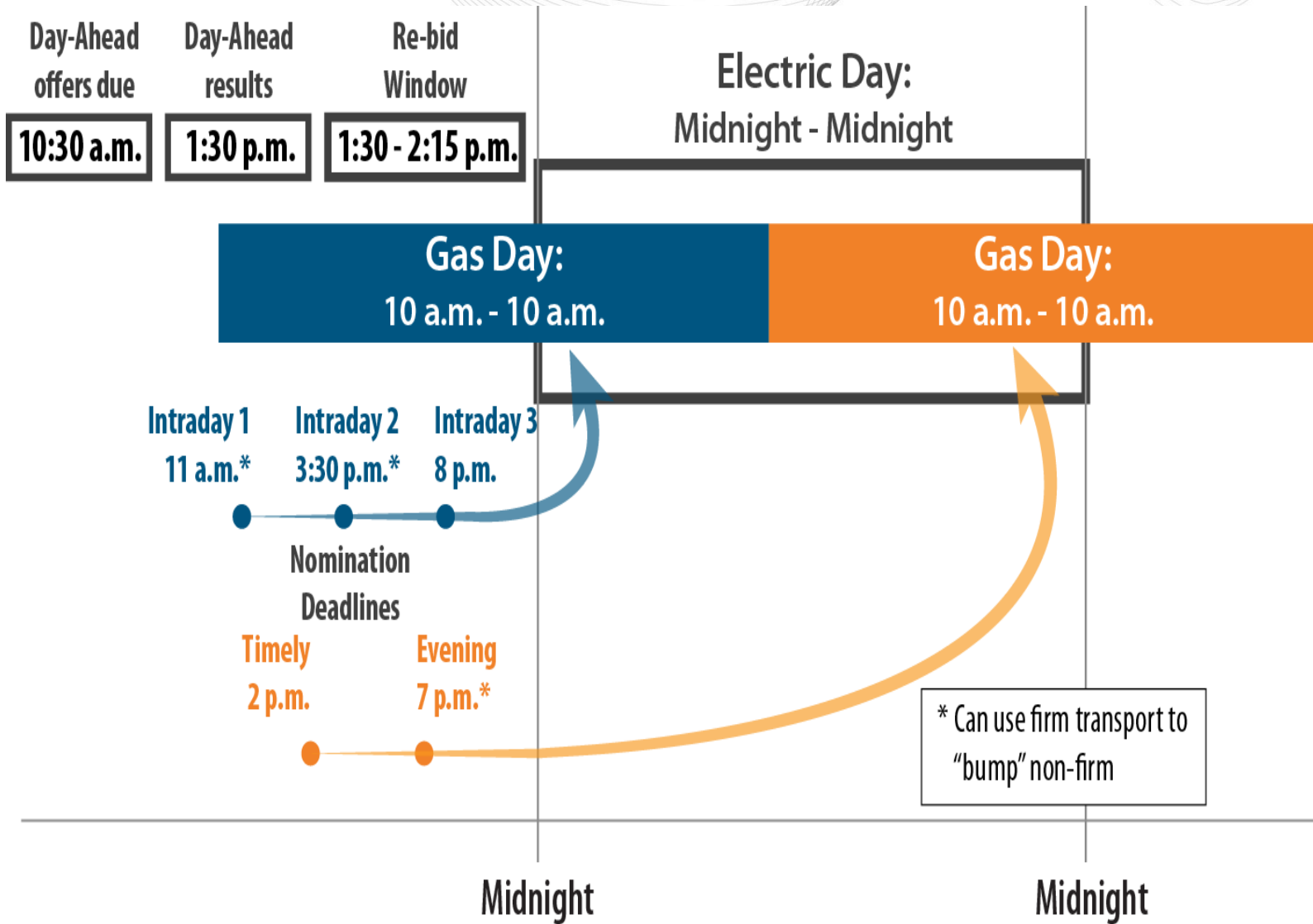
PJM

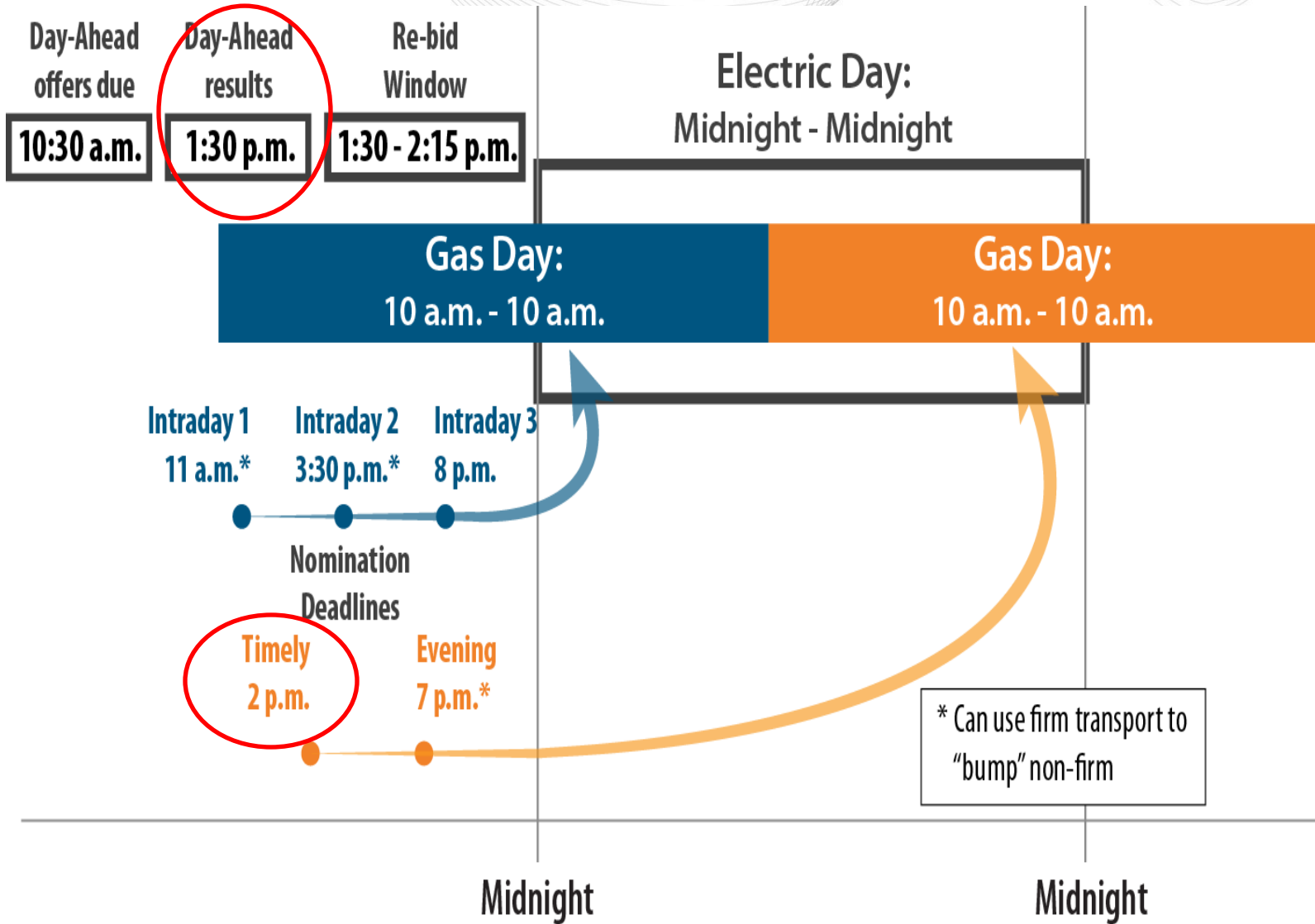


# Gas Electric Coordination at PJM – Current Market Timing



\* Can use firm transport to "bump" non-firm







- PJM Planned Actions
  - Establish communication protocol with major Local Gas Distribution Companies (LDC)
    - Limited information on generating units located behind LDC city gates
    - Mid 2016 target completion
  - Establish communication protocol with gas generation operators
    - Build knowledge base of available natural gas capacity portfolios to improve reliability assessments
    - Mid 2016 target completion
  - Outreach to Natural Gas Marketing companies
    - Engage in discussion regarding firm service products for generators
  - Engaged in DOE R&D program to further reduce Day-ahead clearing engine

- Future Gas Electric Coordination Improvements
  - Collaboration with pipelines, LDCs and marketers
    - Support development of innovative firm services to meet unique supply needs of gas generators
    - Improve efficiency of critical information sharing
  - Collaboration with FERC, NAESB
    - Support continued improvements to market timing and scheduling

- Other notable changes at PJM
  - Capacity Performance (June 1, 2016)
  - Hourly offers (future implementation)
  - Offer Cap

Questions?

Thank You

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PJM Interconnection