



Stability Limits in Markets and Operations

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- **August 7, 2019**
 - Problem Statement Approved by MIC
- **September 2, 2020**
 - Capacity Constraint Package aka Unit Output Constraint Approved by MIC

- Clarifies the type of stability limit that will be controlled
 - Real power MW
- Changes the method of control to unit output constraint
 - Currently: Economic limit reduction or thermal surrogate are used
 - Future: Real Time SCED & Day-ahead will control unit output plus reserves to remain within stability limit
- Clarifies that LOC will not be paid to the generator owners for reductions related to stability
- Manual language to be effective with software implementation

- Added language to clarify that generators would not be eligible for lost opportunity cost (LOC) credits for reductions associated with honoring stability limits
- Manual language to be effective after software implementation

Manual 28: Operating Agreement Accounting

- Security Constrained Economic Dispatch (SCED) and Day-ahead engines control stability limit (MW)
- Sum of generators output (plus reserves) are economically dispatched within the stability limit
 - $\text{Limit} \geq \text{Generator 1} + \text{Generator 2} + \text{Generator 3} \dots$
- Shadow price of unit output constraint is not reflected in LMP
- Generators will not be eligible to receive Lost Opportunity Cost credits related to unit output constraints

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