



Capacity Interconnection Rights for ELCC Resources

March 9, 2021
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Planning Committee

- Stakeholders expressed concerns that the scope of the Issue Charge was too narrow and made the following recommendations
 - Effort needs to begin with a solid foundation
 - Comprehensive CIR education
 - Stakeholder consensus on fundamental, equitable and consistent principles upon which CIR policies should be designed
 - While the primary driver and topic of the discussions will be ELCC Resources, the principles upon which CIR policies are designed and the implications thereof should consider all existing and planned resource types
- PJM incorporated these and other recommendations received by stakeholders and is bringing the Issue Charge for a second, first read today

- Stakeholders have expressed significant interest in exploring enhancements to how CIRs for ELCC Resources are handled
 - Request and retention policies
 - Linkages to the Capacity Market
- Recent adoption of ELCC has highlighted need to investigate this topic
- Goal is to hold a series of monthly discussions with the Planning Committee and by the end of 2021
 - Develop and propose changes to the applicable manuals and governing documents
 - Make any FERC filings required to support changes

- CIRs for new wind and solar resources are administratively set at average expected outputs for the summer period unless developers can supply meteorological data to support higher outputs
- CIRs for new Limited Duration resources are administratively set based on amount that can be supplied over 10 hours
- Three years of actual summer peak outputs are examined to ensure CIRs are not underutilized
 - Capacity factor over the summer peak hours is tracked for wind and solar
 - Summer testing is performed for Limited Duration resources

- CIRs are not included in ELCC calculations or in determining accredited UCAP
 - Sizing the grid for CIRs based on outputs below maximum summer values may result in curtailments because of insufficient transmission
 - Resource adequacy performance and accredited UCAP may be overstated unless CIRs are considered
- Capacity offers are often lower than CIRs and increased penetration levels under ELCC will magnify difference

- Review Issue Charge and Problem Statement at February 9, 2021 PC
 - Gather stakeholder feedback and incorporate appropriate feedback
- Review revised Issue Charge and Problem Statement at March 9, 2021 PC
 - Gather any additional stakeholder feedback and incorporate appropriate feedback
- Approve Issue Charge at PC April 6, 2021
- Hold educational sessions and discuss and develop proposal for enhancements from May – October 2021
- Present proposal to MRC November 2021