



Seasonal Capacity Resources Senior Task Force: Request to sunset

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Markets and Reliability Committee

April 27, 2017

- Established in March 2016
- 13 meetings over 6 months (April – September)
- Scope (*from Charter*)
 - “Analyze alternatives to requiring 100% annual Capacity Performance Resources for meeting reliability requirements such as, but not limited to, creating annual resources from combinations of sub-annual resources as part of the auction process, addressing via measurement and verification, inclusion of stand-alone sub-annual products in the auction process, etc.”*
- 6 proposals developed, 5 proposals voted
- No simple majority achieved

A

Maintain 100% Annual Capacity Performance product and existing Aggregate Resource rules; Establish rules for cross-LDA aggregation; Aggregate summer-only and winter-only sell offers through the RPM clearing process; Create “winter FSL” for measuring DR performance; Establish one-time transitional winter CIR process

B

Procure capacity based on summer and winter reliability requirements; Two performance periods – Summer (June 1 – Sept 30) and Winter (Oct 1 – May 31); Establish Summer and Winter UCAP ratings and CIRs; Resources can submit annual or seasonal offers; Transitional winter floor price

C

Establish Winter Performance Equivalent (WIPE) auction, in which possession of a WIPE ticket excuses all winter performance from resources with an annual capacity obligation; PJM calculates amount of WIPes (MW) using existing Extended Summer calculations; applicable to all resource types.

D

Extend Base Capacity product for the 2020/2021 Delivery Year only; Adjust current Base Capacity Penalty Rate to be "comparable" to CP penalty rate in order to align offer price incentive between Base and CP; Continue work on longer term solutions for seasonal resources to participate in RPM.

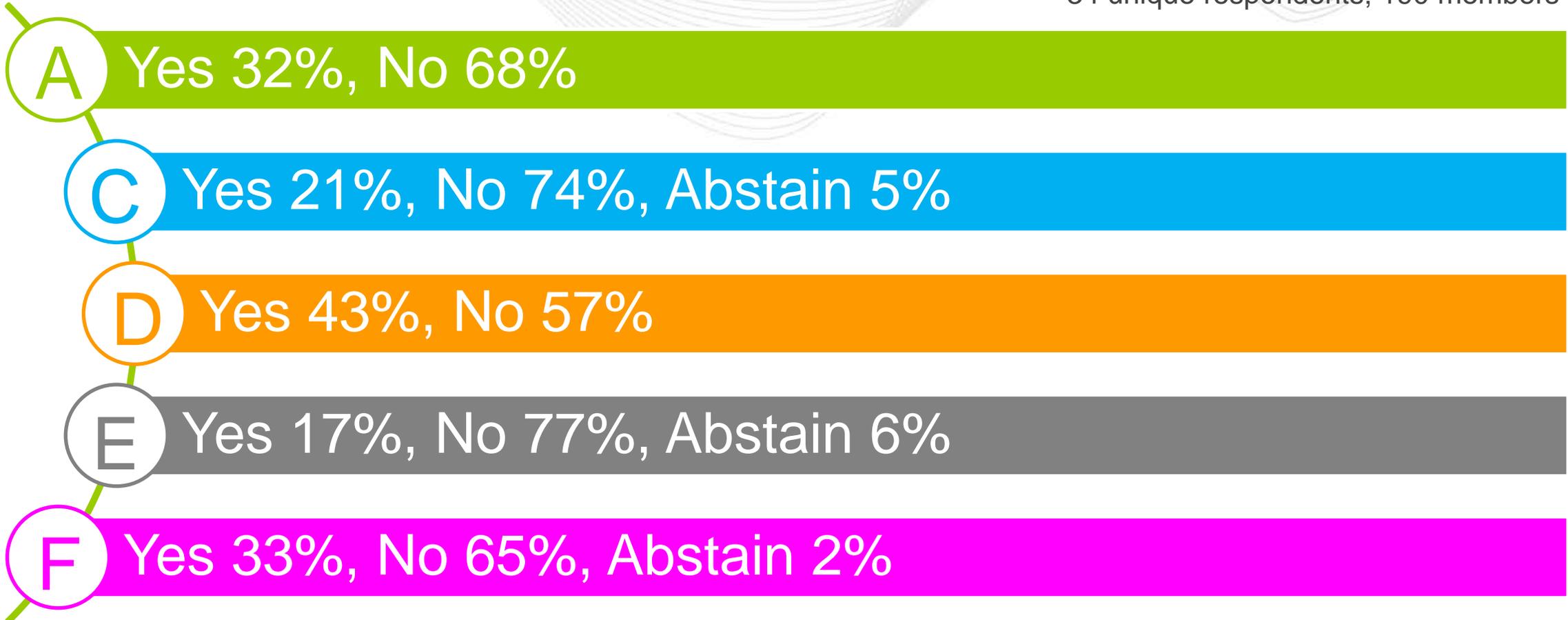
E

Use Firm Service Level (FSL) to measure demand response year-round; Expand aggregation measures in Proposal A to all resource types; Extend Base Capacity until winter/seasonal Capacity Interconnection Rights (CIRs) can be established for all resources.

F

Proposal A + apply the Balancing Ratio to all committed capacity resources, including DR, for the purposes of determining Expected Performance; Amend the Balancing Ratio equation to be "BR = (All Resource Performance + Net Energy Imports) / All committed capacity in UCAP"

34 unique respondents; 190 members



*Package B, seasonal capacity construct, withdrawn prior to voting

- Filed November 17, 2016 (ER17-367-000)
 1. Additional ways to facilitate aggregation, including clearing summer-only/winter-only resources through the auction process
 2. Non-summer Capacity Interconnection Rights
 3. Modified rules for measuring DR performance during winter
- Order Accepting and Suspending Filing, Subject to Refund, and Further Commission Order (March 21, 2016)
- PJM staff implementing changes for 2020/2021 BRA

Request: Approve sunset of the SCRSTF

- Facilitator: Scott Baker
- Secretaries: Joe Callis / Bhavana Keshavamurthy
- SMEs: Jeff Bastian / Pete Langbein / Tom Falin / Jen Tribulski
- PJM Advocate: Adam Keech
- Stakeholder Proposal Sponsors
 - Direct Energy (Jeff Whitehead)
 - EnerNOC (Katie Guerry)
 - Consumer Advocates (Jim Wilson)
 - NRDC (Jennie Chen)
 - WeatherBug (Tom Rutigliano)
- All members who participated in the process