



# Underperformance Risk Management Senior Task Force Update

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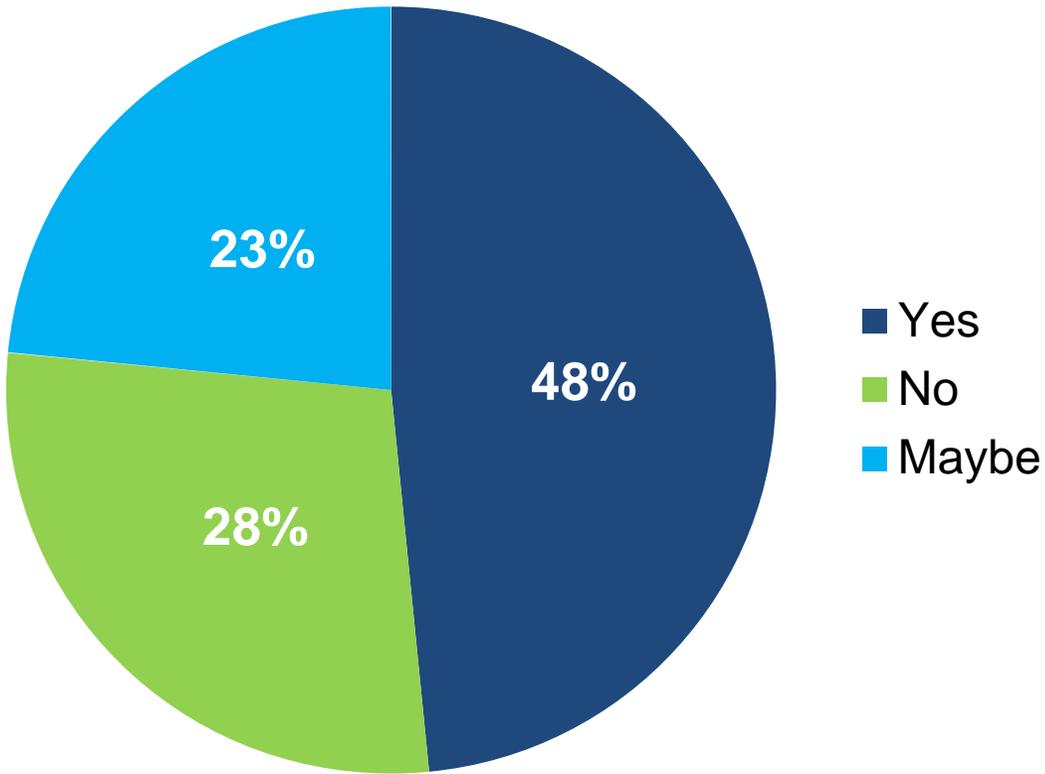
MC Webinar

- 2 separate issue charges approved by the MRC
  - [Underperformance Risk Management in RPM/CP](#) approved in December 2015
    - Address the concern that the current Capacity Performance rules may not provide adequate options to manage the risk of underperformance during Capacity Performance compliance hour(s)
  - [External Capacity Performance Enhancements](#) approved in May 2016
    - Address the operational, markets and planning challenges associated with the integration of external Capacity Performance resources in PJM
- Solutions to be implemented prior to the 2020/2021 Base Residual Auction

- Non-binding poll results reviewed at the September 19 meeting
- Package Sponsors asked to provide updates to package options by October 7
- Look to Issue Vote after next meeting: October 13
- If any packages receive simple majority, provide a first read at October 27 MRC

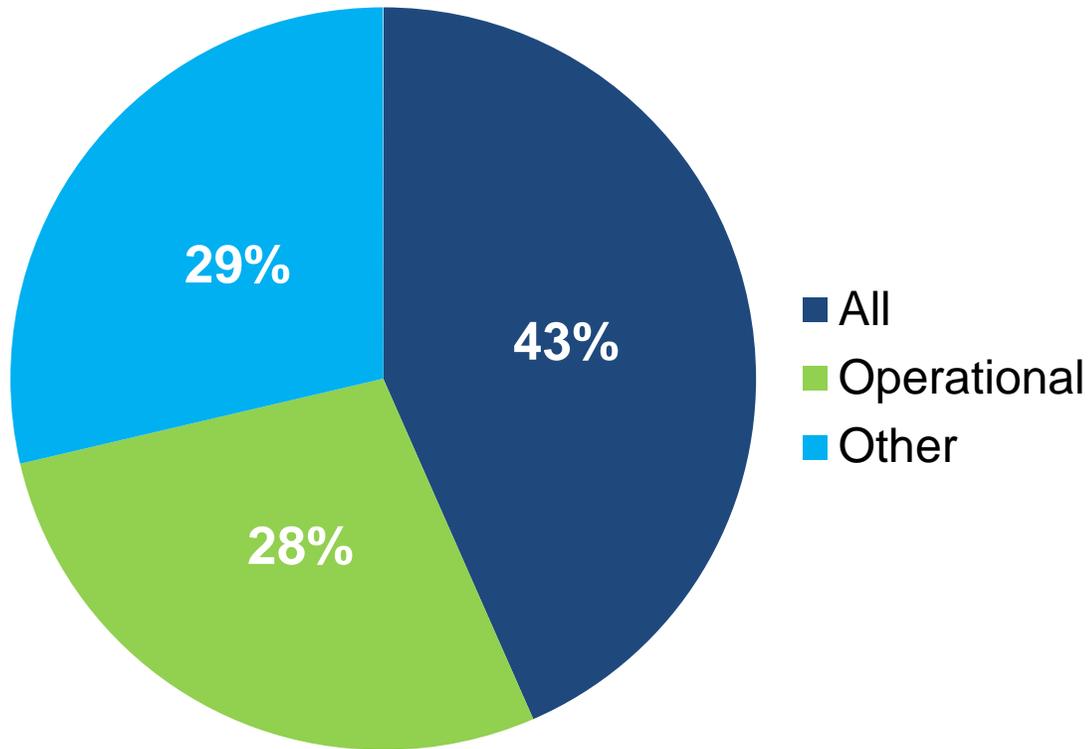
- Purpose of the poll was to quantify support for the various options and packages for the External Capacity Performance Enhancements Matrix
- 129 responses received, representing 41 voting members
- Poll Format
  - Requested feedback for support for design component options that differed between packages
  - Requested feedback regarding specific packages:
    - Support vs. Non-Support of packages

1. Do you think the cost of Ongoing External upgrades should be included in the External Region Planning Process?



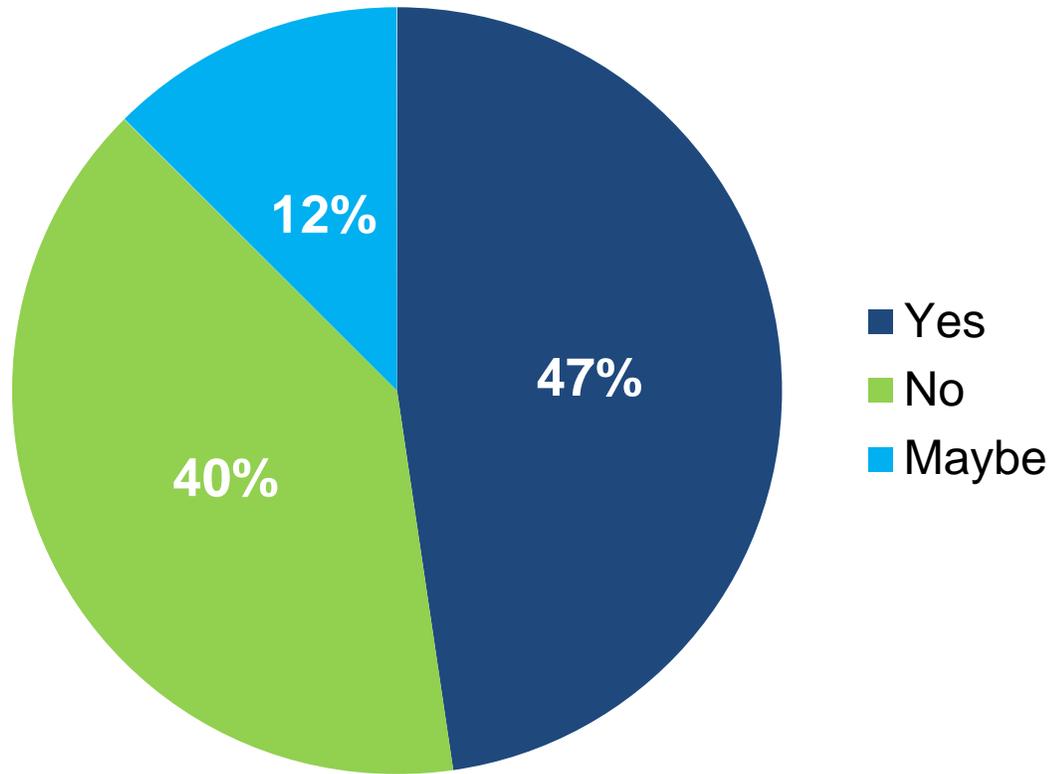
	Count	% of Total Responses
Yes	62	48%
No	36	28%
Maybe	30	23%

2. Do you think existing pseudo-tied units should be subject to all newly proposed requirements? (i.e. Ongoing Upgrade Cost Allocation, Allocation of FFEs, Operational Requirement)



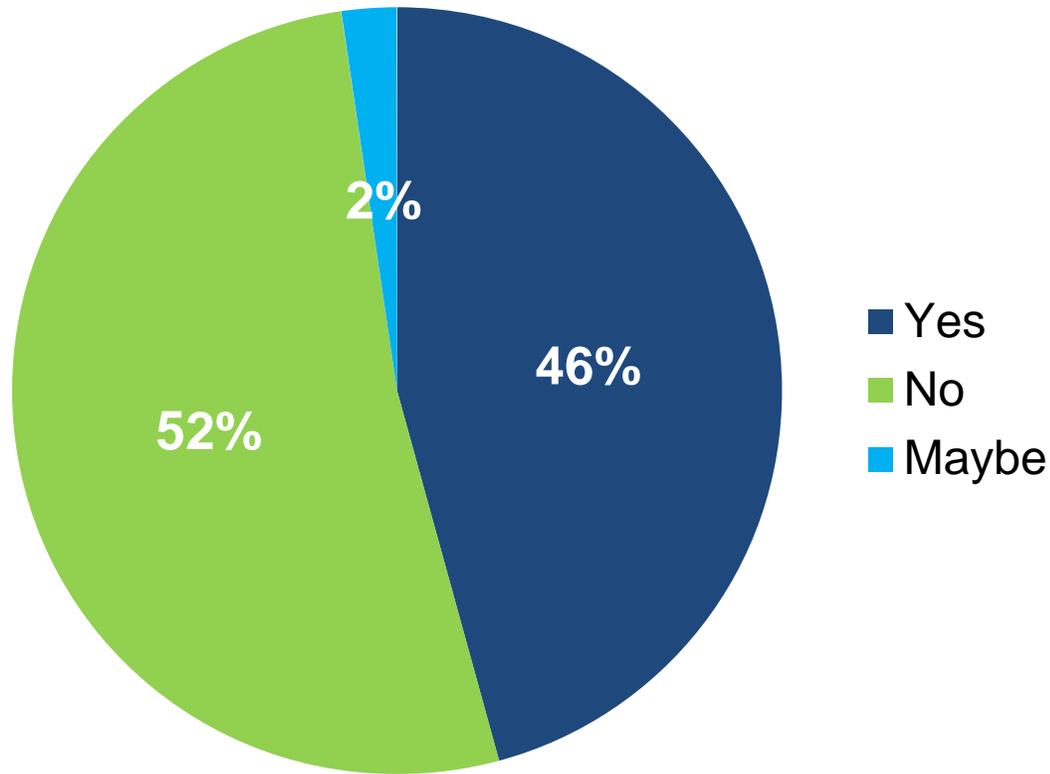
	Count	% of Total Responses
All	56	43%
Operational	36	28%
Other	37	29%

3. Do you support further discussion of whether External Resources should be modeled in LDAs other than Rest of RTO?



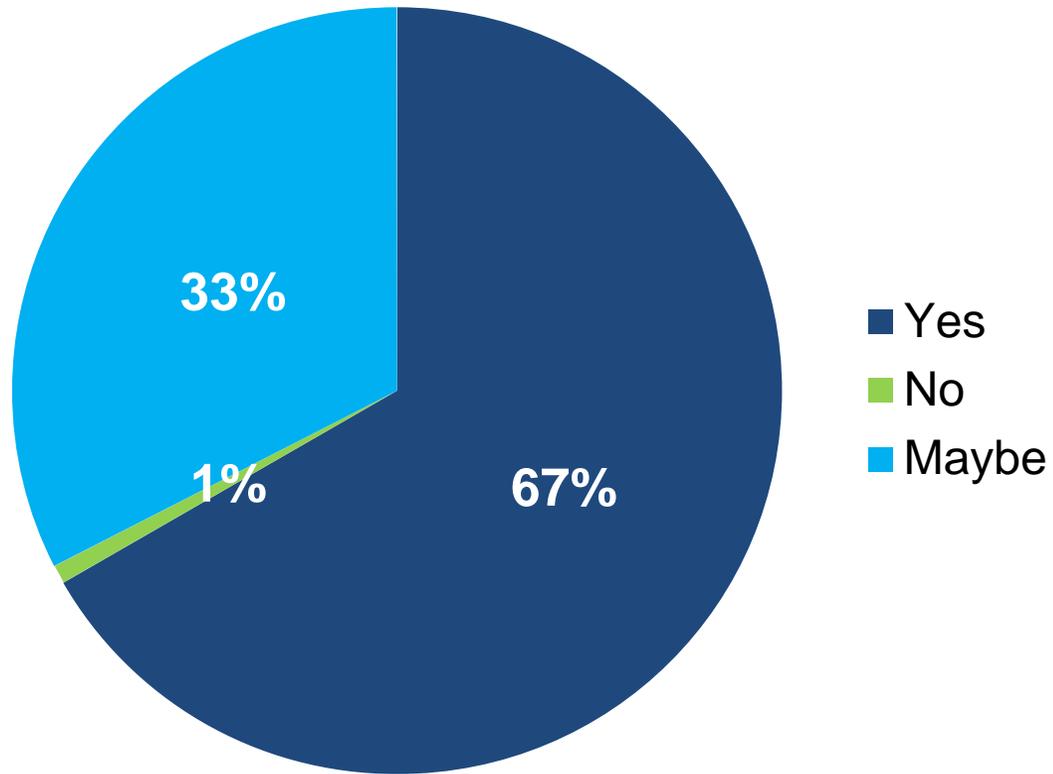
	Count	% of Total Responses
Yes	61	47%
No	51	40%
Maybe	16	12%

4. Do you support including External Resources in non-RTO wide PAH Assessments if they were needed by PJM dispatch to resolve an issue in an area smaller than the RTO?



	Count	% of Total Responses
Yes	59	46%
No	67	52%
Maybe	3	2%

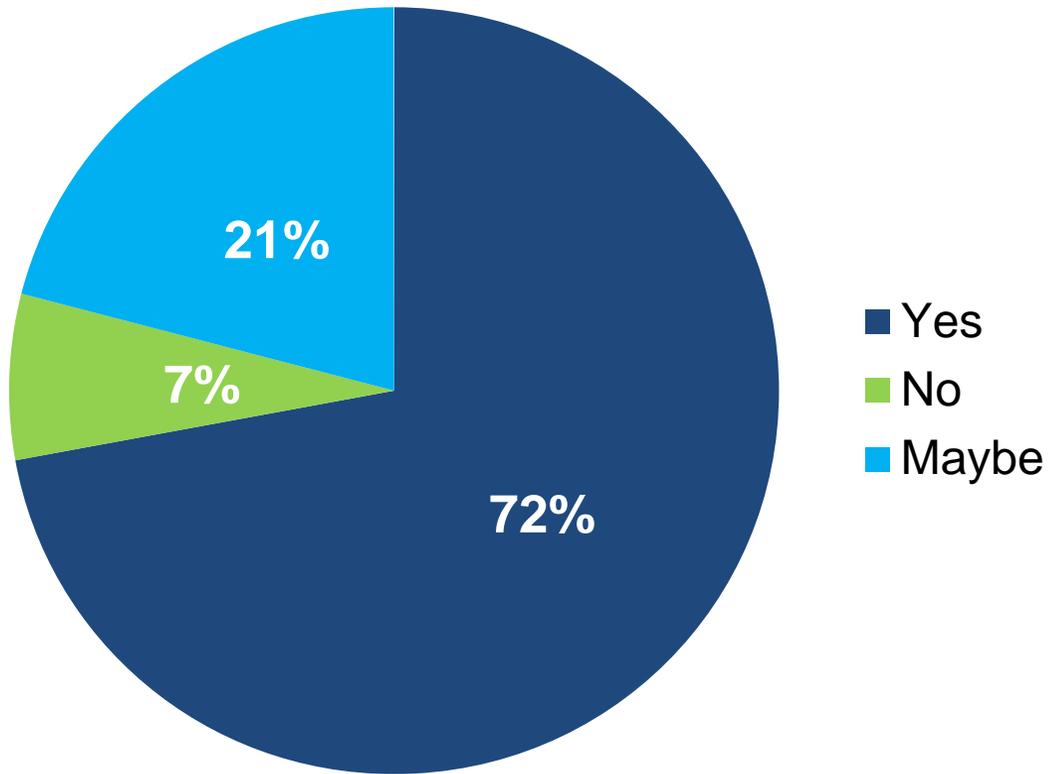
## 5. Do you support PJM’s methodology to determine Electrical Distance?



	Count	% of Total Responses
Yes	86	67%
No	1	1%
Maybe	42	33%

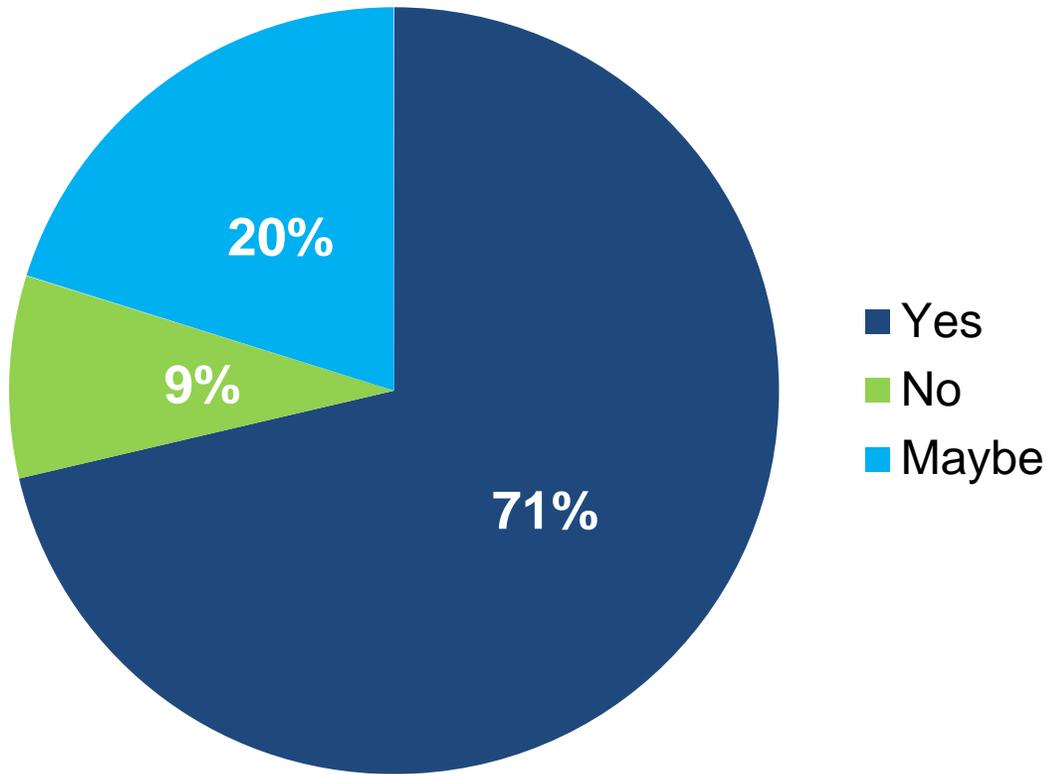
## Question 6 – Congestion Management Cost Allocation

6. Do you support allocating the costs associated with congestion management to the external resource owner if FFEs are not allocated to the resource?



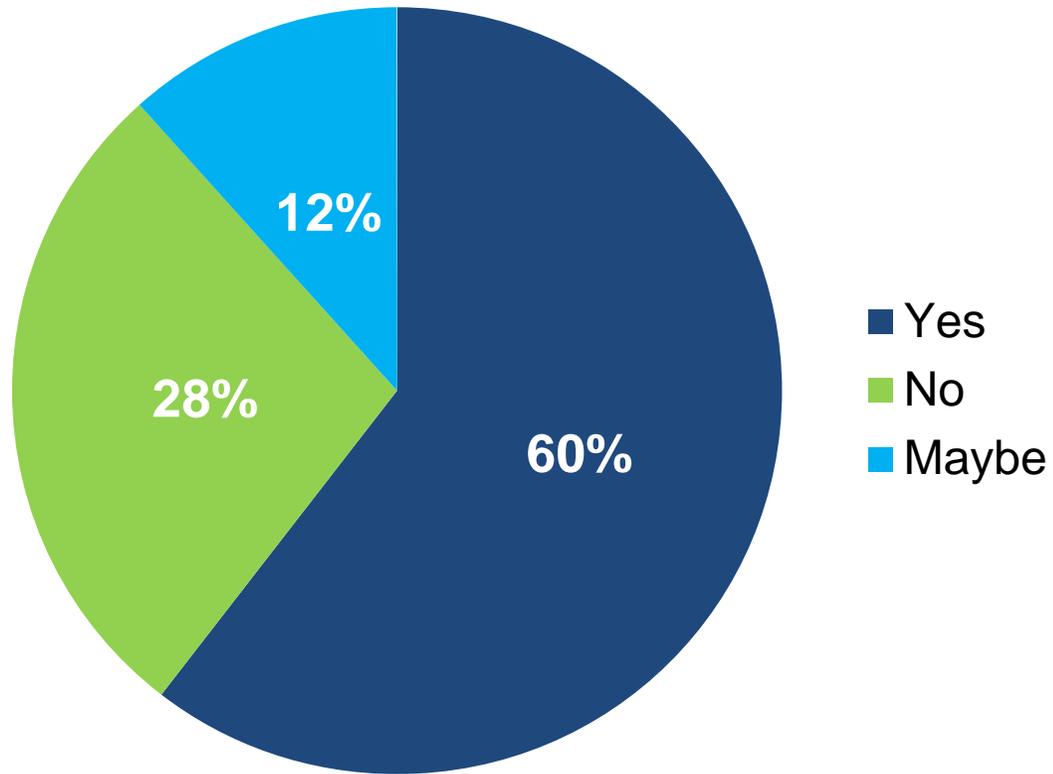
	Count	% of Total Responses
Yes	93	72%
No	9	7%
Maybe	27	21%

7. Do you support requiring external Balancing Authorities to commit to transfer FFEs/FFLs to the attaining Balancing Authority by the start of the Delivery Year?



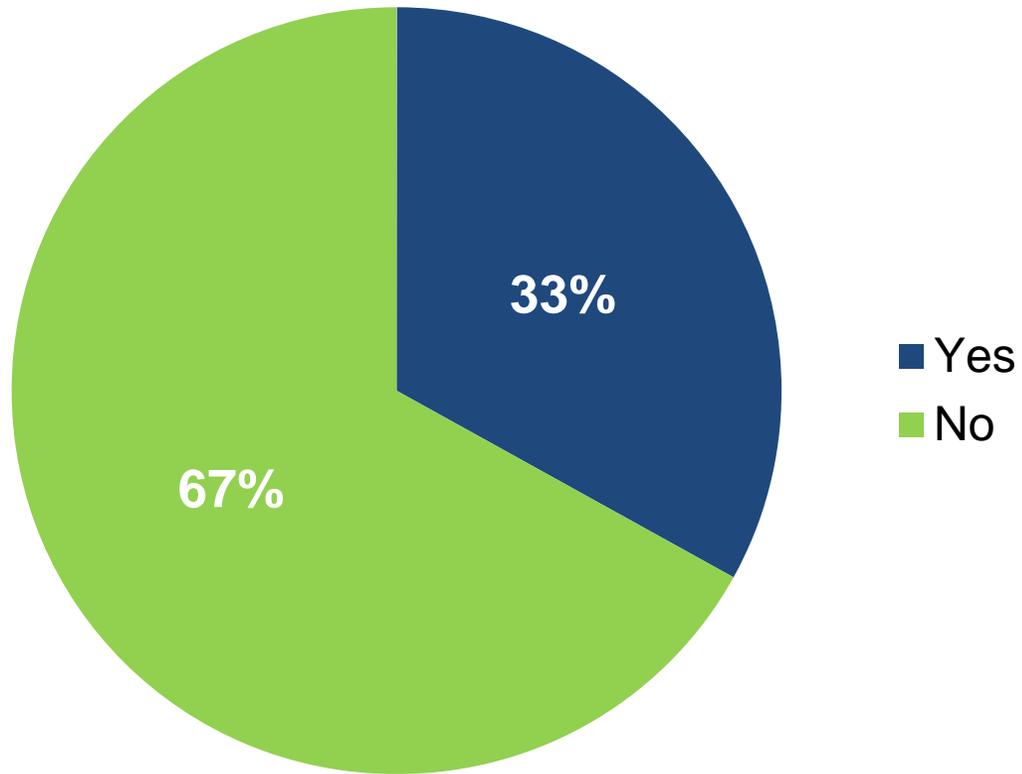
	Count	% of Total Responses
Yes	93	71%
No	9	9%
Maybe	27	20%

8. Do you support requiring existing pseudo tied resources to obtain unit-specific transmission service for future delivery years from the External Balancing Authorities?



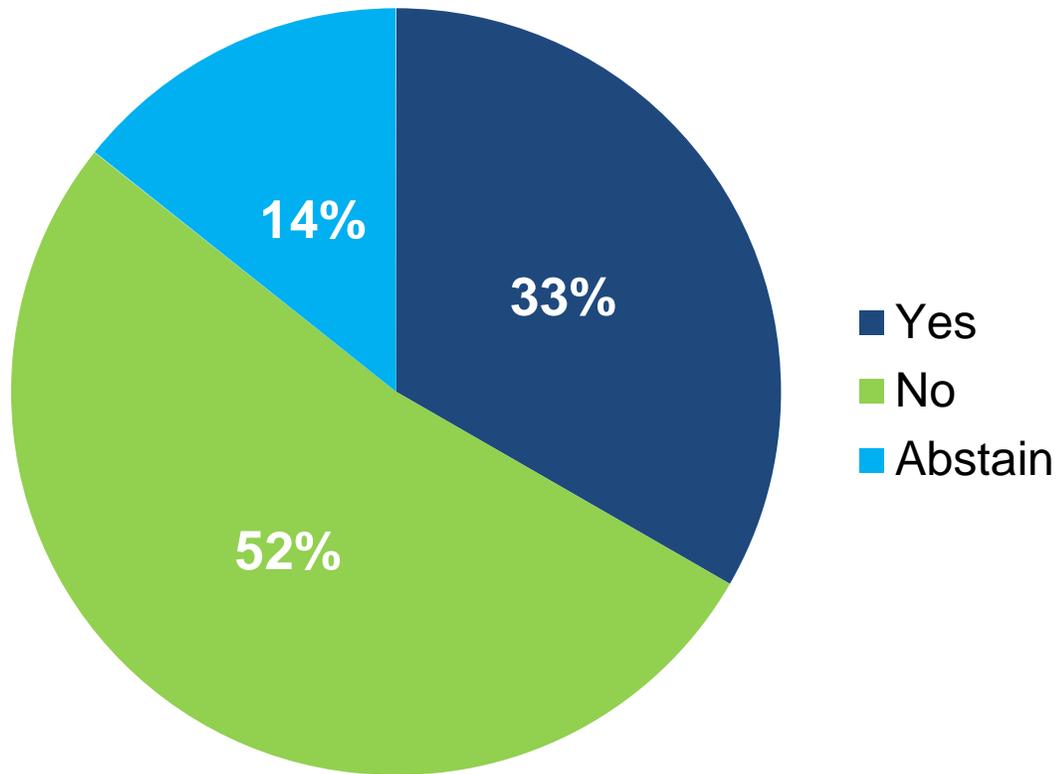
	Count	% of Total Responses
Yes	78	60%
No	36	28%
Maybe	15	12%

9. Do you support Package A?



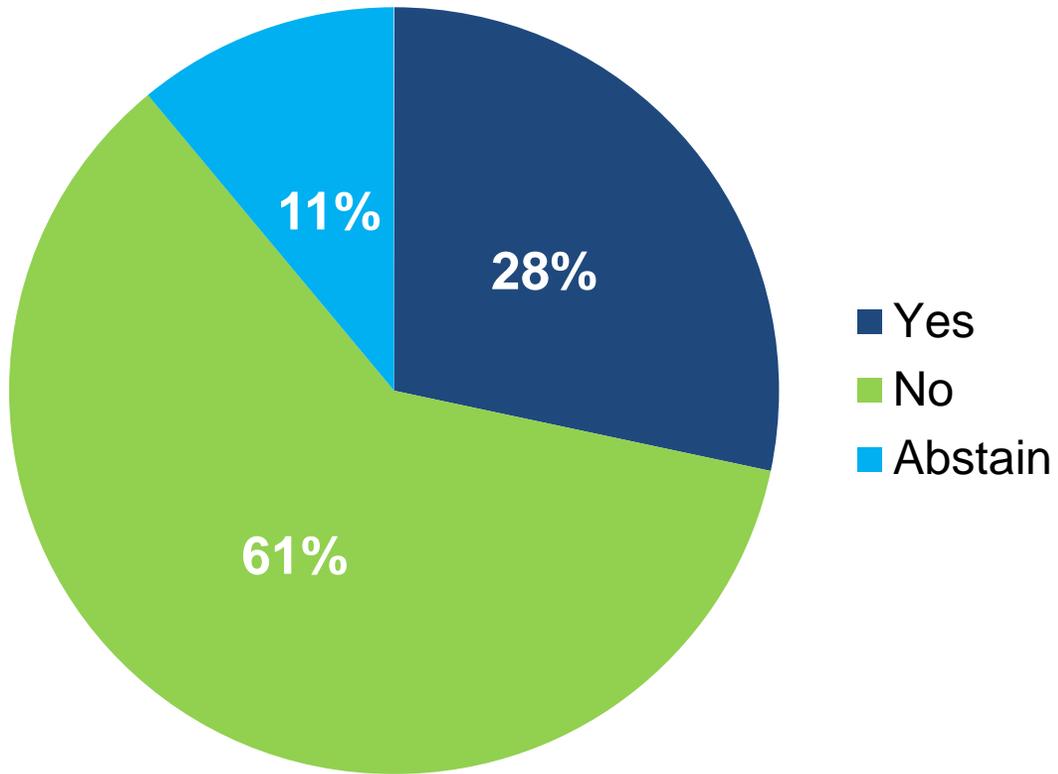
	Count	% of Total Responses
Yes	42	33%
No	85	67%
Abstain	0	0%

### 10. Do you support Package B?



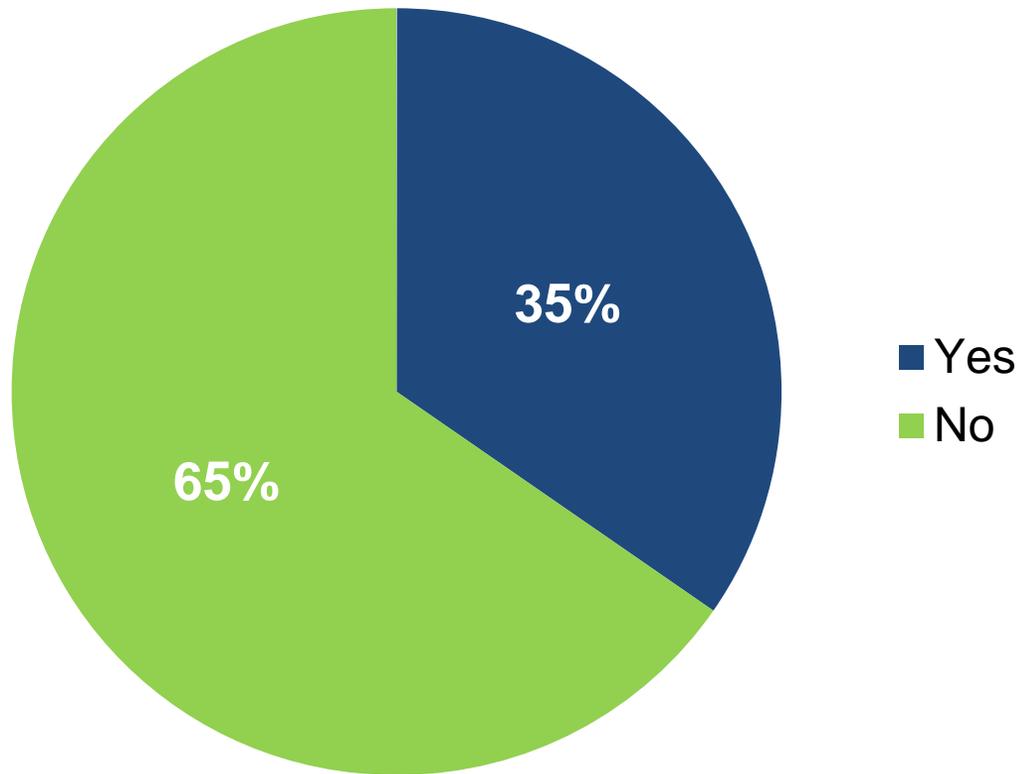
	Count	% of Total Responses
Yes	42	33%
No	66	52%
Abstain	18	14%

## 11. Do you support Package C?



	Count	% of Total Responses
Yes	36	28%
No	77	61%
Abstain	14	11%

## 12. Do you support Package D?



	Count	% of Total Responses
Yes	44	35%
No	83	65%
Abstain	0	0%

- Package Narrowing
- Package Sponsors provide updates to package options by Friday, October 7
- Look to Issue Vote after next meeting: Wednesday, October 13
- If any packages receive simple majority, provide a first read at October 27 MRC