

Seasonal Capacity Resources

Scott Baker

Sr. Business Solutions Analyst, Applied Solutions
Markets & Reliability Committee

June 22, 2017



PJM 205 Filing, Docket ER 17 – 367 (FN 12 at pg 5)

*PJM continues to work on further enhancements to recognize the value of – and support continued participation by – Seasonal Capacity Performance Resources in its markets. For instance, PJM intends to **initiate stakeholder discussion on subjects such as whether PJM’s load forecasting methodologies should be enhanced to recognize such resources differently, and whether a mechanism should be designed outside the capacity and energy markets to value and compensate the operational flexibility of such resources.***



2020/2021 Cleared MW (UCAP) by Resource Type

	Annual	Summer	Winter	Total
Generation	155,572.4 MW	6.2 MW	397.9 MW	155,976.5 MW
DR	7,531.5 MW	288.9 MW	0 MW	7,820.4 MW
EE	1,607.4 MW	102.8 MW	0 MW	1,710.2 MW
Total	164,711.3 MW	397.9 MW	397.9 MW	*165,109.2 MW

* Annual Commitments = 164,711.3 MW + 397.9 MW

Load Forecasting Adjustments

- Puts demand response on the demand side of the equation
- Results in cost reduction, not a credit

Valuing Outside of RPM

- Define a quantity based on operational reliability benefit
- Registration process
- Compensation rate to be developed
- Define availability metrics and M&V

Load Forecasting Adjustments

- Staff does not plan to bring a problem statement on incorporating summer-only 'peak shaving' resources into PJM's load forecast.
 - Unsure how to accomplish without performance obligations
- Stakeholders could discuss at LAS

Valuing Outside of RPM

- Plan to bring a draft problem statement on valuing the operational flexibility of summer-only resources outside of RPM to the next MRC meeting
 - Sunset SCRSTF and have MRC direct this item to existing stakeholder body or new group.