

Capacity Interconnection Rights for Variable Resources

Issue Source

This issue is being transferred from the Capacity Capability Senior Task Force to the Planning Committee, at the request of the CCSTF.

Issue Content

This effort will explore existing processes used to establish Capacity Interconnection Rights (CIRs) and identify changes to PJM Manuals and governing documents.

Key Work Activities and Scope

- 1) Education on the status quo policies for CIRs
- 2) High-level education on ELCC as it relates to CIRs (detailed ELCC education was covered at the Capacity Capability Senior Task Force: <https://www.pjm.com/committees-and-groups/task-forces/ccstf.aspx>).
- 3) Potential development of enhancements to rules around CIRs and ELCC concerning: permissible CIR request amounts and retention policies for ELCC Resources; CIR retention given the level of Capacity provided from an ELCC Resource; and how CIRs should be considered in the ELCC analysis (which currently does not take account of CIRs). Such potential enhancements could include:
 - a) Establishing new metrics and/or requirements in requesting and retaining CIRs
 - b) Incorporating CIRs upfront into the ELCC Portfolio UCAP and ELCC Class UCAP calculations and considering CIRs when allocating ELCC Class UCAP to individual ELCC Resources

Definitions

The following definitions (which match PJM's October 30, 2020 ELCC RAA filing) will be used for the purposes of this stakeholder process unless such definitions are required to be changed based on FERC's ruling in that proceeding in which case we will use the FERC approved definitions:

"Accredited UCAP" means the quantity of Unforced Capacity, as denominated in Effective UCAP, that an ELCC Resource is capable of providing in a given Delivery Year.

"ELCC Resource" means a Generation Capacity Resource that is a Variable Resource, a Limited Duration Resource, or a Combination Resource.

"Combination Resource" means a Generation Capacity Resource that has a component that has the characteristics of a Limited Duration Resource combined with (i) a component that has the characteristics of an Unlimited Resource or (ii) a component that has the characteristics of a Variable Resource.

"Limited Duration Resource" means a Generation Capacity Resource that is not a Variable Resource, that is not a Combination Resource, and that is not capable of running continuously at Maximum Facility Output for 24 hours or longer. A Capacity Storage Resource is a Limited Duration Resource.

"Variable Resource" means a Generation Capacity Resource with output that can vary as a function of its energy source, such as wind, solar, run of river hydroelectric power without storage, and landfill gas units without an



alternate fuel source. All Intermittent Resources are Variable Resources, with the exception of Hydropower with Non-Pumped Storage.

“Unlimited Resource” means a generating unit having the ability to maintain output at a stated capability continuously on a daily basis without interruption. An Unlimited Resource is a Generation Capacity Resource that is not an ELCC Resource.

Out of Scope

Provisions for Unlimited Resources are out of scope. The interconnection process is out of scope to the extent it is not relevant to answer whether to revise the permissible amount of CIRs that can be requested by ELCC Resources. Changes to the ELCC analysis are out of scope, except as described above and as needed to accommodate the scope described above. Winter CIRs are out of scope.

Expected Deliverables

- 1) Educational materials
- 2) Proposed revisions to PJM business manuals
- 3) If needed, proposed revisions to governing documents and FERC filing

Decision-Making Method

Tier 1, consensus on a single proposal.

Stakeholder Group Assignment

Planning Committee Special Sessions.

Expected Duration of Work Timeline

In time for calendar year 2022, to be effective in time for the 2024/25 Base Residual Auction.

Start Date	Priority Level	Timing	Meeting Frequency
2/1/2021	<input type="checkbox"/> High <input checked="" type="checkbox"/> Medium <input type="checkbox"/> Low	<input type="checkbox"/> Immediate <input checked="" type="checkbox"/> Near Term <input type="checkbox"/> Far Term	<input type="checkbox"/> Weekly <input checked="" type="checkbox"/> Monthly <input type="checkbox"/> Quarterly

Charter

<input type="checkbox"/>	This document will serve as the Charter for a new group created by its approval.
<input checked="" type="checkbox"/>	This work will be handled in an existing group with its own Charter (and applicable amendments).

More detail available in M34; Section 6