

FERC Order 881

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Reliability Standards & Compliance Subcommittee October 21, 2022

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- Initial stakeholder outreach was predominantly PJM Compliance Filing focused
 - Filing completed on July 12, 2022 under docket # <u>ER22-2359-000</u>
 - High level <u>PJM Order 881 direction</u> conveyed
- Since Order 881 Special Sessions
 - Industry engagement
 - Inquiries via Order881@pjm.com



Updates from July Special Sessions

- Approach regarding Electronic Update of Ratings
 - Deviating from proposal for the TO to telemeter *EITHER* their Real-time in-use Temp Set *OR* temperature + solar condition to PJM.
 - For AAR PJM will leverage the weather station information used to evaluate forecasted 10-day hourly & Seasonal Temp Sets, to evaluate and communicate to the TOs the inuse Temp Sets for the given (sub-)zones.
 - TO to notify PJM, as today, if PJM in-use ratings (including Temp Set) need adjustment due to local (zone/sub-zone/Facility) conditions.
- AAR Seasonal Ratings (Operations & Operations Planning time horizons)
 - PJM is moving towards 12 monthly seasons.
 - Financial Transmission Rights [FTR] ratings will continue as today, and NOT leverage the AAR Seasonal Ratings due to timeframe/alignment across the auctions.
 - This determination is counter to what was conveyed in an <u>881 Special Session</u>. (slide 9)
 - i.e., FTR auctions will leverage Seasonal Ratings, but not the AAR Seasonal.

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Neighbor/Industry Meetings:

- North American Transmission Forum [NATF] Initiatives
 - Physics of ratings calculations*
 - Calculation process
 - Temperature forecasts, zones & seasonality
 - Tie-line coordination
- ISO/RTO Eastern Interconnection discussions:
 - Ongoing as it relates to <u>nGEM project</u> work
 - 881 focused outside of nGEM project with neighboring ISO/RTOs

*Outside of PJM core function. PJM does not calculate ratings, but monitoring as we consume ratings.



Potential considerations that may inform PJM approach:

- Consolidated Transmission Owner Agreement changes, if any, related to Order 881
- NATF best practice guidance and Eastern Interconnection neighbor approaches, as they evolve

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- Application impacts and timelines to be conveyed via PJM <u>Tech</u>
 <u>Change Forum</u> and <u>eDART / eDART XML Forums</u>
 - eDART's TERM application will be a leading edge impact, with the majority of work related to ratings framework inputs completed in 2023
 - Additional impacts to PJM Operations & Market systems, with varying timelines out through July 2025.
- OC Monthly Updates/Informationals
- Detailed Sessions, as needed



PJM EMS Zones (For use in AAR) & Temp Sets

- Any TOs seeking to split their Zone/sub-Zone for area weather alignment
 - Please reach out to EMSSupport@pjm.com

PJM proposed a Temp Set framework with min of -55°F and max of 130°F*

- If a TO believes that range needs to be expanded (i.e., They believe their zone experienced historic temperatures below -45°F or above 120°F)
 - Please notify <u>Order881@pjm.com</u>

*To satisfy Order 881 +/-10°F margin & historic requirements (See paragraph 185)





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FERC Order 881



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