

Feedback on PJM ELCC Classes

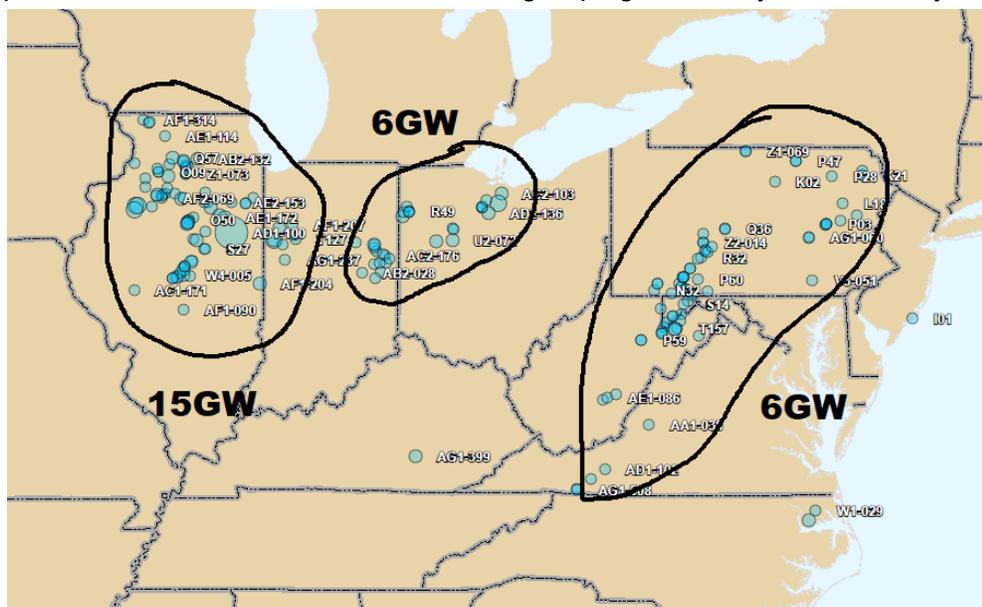
PJM Proposes “A Limited Duration Resource or Combination Resource (other than Hydropower with Non-Pumped Storage) cannot change its election to be in a given duration class more often than once every five Delivery Years, provided that PJM may approve a change of class on the basis of good cause shown.”

Concern: This seems to be an arbitrary restriction. In particular, ELCC sends signals to storage about the value of adding more batteries at an existing site, and the optimal MW/duration tradeoff. Market rules should encourage participants to follow those signals.

Suggested change: Limited Duration Resources may change duration class for each delivery year.

PJM Proposes: “Onshore Wind Class” shall mean an ELCC Class consisting of Variable Resources that produce electrical energy using wind turbines and that are not in the Offshore Wind Clas”

Concern: Onshore wind in PJM is mostly in three distinct areas (Latest queue has: Illinois, 15GW; OH/IN, 6GW; and Appalachian, 6GW. Or simply East 6GW, West 21GW). If wind patterns are different in these locations, grouping them may lose diversity benefits.



Request: PJM do a cursory analysis to see if grouping wind into 2 or 3 buckets improves ELCC

Suggested change: In the new tariff language, include a provision that PJM may create geographic subdivisions of resource classes if it determines that it is justified by diversity benefits.