



Ancillary services support the reliable operation of the transmission system as it moves electricity from generating sources to retail customers. PJM Interconnection currently operates two markets for ancillary services, enabling market participants to receive payment for providing these services to the grid.

PJM operates two markets for ancillary services, regulation and synchronized reserve.

Regulation service corrects for short-term changes in electricity use that might affect the stability of the power system. It helps match generation and load and adjusts generation output to maintain the desired frequency. Load-serving entities (LSEs) can meet their obligation to provide regulation to the grid by using their own generation, by purchasing the required regulation under contract with another party or by buying it on the Regulation Market.

Currently participating in PJM's Regulation Market are several energy storage resources, including a 32-megawatt battery-storage facility and a group of plug-in hybrid electric vehicles (PHEVs). These resources are paid for providing frequency regulation when called upon by PJM.

Synchronized Reserve service supplies electricity if the grid has an unexpected need for more power on short notice. The power output of generating units supplying synchronized reserve can be increased quickly to supply the needed energy to balance supply and demand; demand resources also can bid to supply synchronized reserve by reducing their energy use on short notice. LSEs can meet their obligation to provide synchronized reserve to the grid by using their own generation, by purchasing it under contract with another party or by buying it on the Synchronized Reserve Market.

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