

Capacity Market Capability of Energy Storage Resources and March 11 Paper Hearing Brief

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Market Implementation Committee
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Oct. 17 FERC Acceptance Order

Initial proposed PJM Energy Storage Resource (ESR) participation model

Live
Dec. 3

EL 19-100

Sustained Output Duration and Capacity Capability (“10 hour rule”)

1. RPM requirement for all resources in tariff

Dec. 12
filing

2. Paper hearing on capacity capability of ESR

Mar. 11
brief

ER19-469

More definitions & detail in tariff

Dec. 16

ER19-469

“Account for State of Charge” enhancement in PJM ESR participation model

Q1
2024

EL 19-100

2. Paper hearing on requirement for ESR

Mar. 11
brief

Nov. 23 PJM request for 90-day extension on initial brief deadline:

https://elibrary.ferc.gov/idmws/file_list.asp?accession_num=20191126-5288

“Such dialogue will allow PJM to explore potential alternative approaches, as well as to ensure that all sides better understand each other’s respective positions.”

...

“Although time does not permit the convening of yet another open-ended formal stakeholder process, PJM is open to additional dialogue with any stakeholder group wishing to meet with PJM to discuss its proposed ten-hour duration requirement in light of the specific section 206 investigation and questions posed by the Commission’s October 17 Order.”

Appendix: Compliance Order Directives Details

“In this order, we accept PJM’s proposed revisions, to become effective December 3, 2019, ***subject to a further compliance filing***, to become effective on a date to be established by PJM, as discussed below. We also institute an investigation pursuant to section 206 of the Federal Power Act (FPA) and establish ***paper hearing procedures*** regarding the justness and reasonableness of PJM’s minimum run-time rules and procedures.” - Issued October 17, 2019

<https://www.ferc.gov/whats-new/comm-meet/2019/101719/E-2.pdf>

- A. Add Minimum and Maximum Charge Limit; Minimum and Maximum Discharge Limit; and Charge and Discharge Ramp Rate bidding parameters into Tariff language.
- B. Add descriptions of three modes (continuous, charge, discharge) into Tariff language.
- C. Add which services constitute “dispatched to provide a service” in Dispatched Charging Energy definition into Tariff language.
- D. Add a general description and references for metering and accounting practices into Tariff language.
- E. Describe how PJM will ensure the separation and proper accounting of wholesale and retail uses.
- F. Add statement that PJM will not charge a distribution-connected Energy Storage Resource for charging energy if the distribution utility is unwilling or unable to net out any energy purchases associated with the Energy Storage Resource’s wholesale charging activities from the host customer’s retail bill into Tariff language.

Filed Dec 16: <https://www.pjm.com/directory/etariff/FercDockets/4328/20191216-er19-469-003.pdf>



“Account for State of Charge” enhancement

- G. Enhance the participation model to more appropriately account for an ESR’s State of Charge, Maximum State of Charge, and Minimum State of Charge through bidding parameters or other means in both PJM’s day-ahead and real-time market dispatch.
 - PJM proposed a Q1 2024 effective date for these provisions

Filed Dec 16: <https://www.pjm.com/directory/etariff/FercDockets/4328/20191216-er19-469-003.pdf>