



Regulation Performance Senior Task Force Update
PJM Interconnection
Markets and Reliability Committee
The Chase Center on the Riverfront, Wilmington, DE
August 17, 2011

The Regulation Performance Senior Task Force (RPSTF) has met three times; in one in-person meeting on July 13th and two teleconferences on July 21st and August 3rd; since the last report to the MRC. Consensus package development will continue through August, though it appears that at least one additional meeting will need to be added in August to finalize the package to be presented to the MRC during September.

At the July 13th meeting, the Task Force completed proposal options for the [Operations piece](#) and began work on proposal options for the Performance Metric and Accuracy piece. Also at the meeting, Joseph Bowring, Monitoring Analytics, presented the [Market Monitor's Perspective](#) on pay for performance of frequency regulation. He encouraged participants to consider market design that would consider the definition of a single fast response regulation product, the units used to measure this product, and the demand for the product. He cautioned that no cost benefit analysis had yet been performed on paying an incentive premium for a specific market design. He suggested that the group should be open to create another product for very fast regulation, if necessary.

At the July 21st teleconference, the Task Force completed proposal option development for the Performance Metric and Accuracy piece. Rus Ogburn, PJM Real Time Market Operations, Scott Benner and Sarah Eichorn, PJM Performance Compliance presented an [evaluation](#) of typical frequency regulation response for the month of July 2010 and of a specific event that occurred at 11:16 am to 11:30 am on July 7, 2010, which was requested by the Task Force participants.

At the August 3rd teleconference, the Task Force began consensus package development for the Operations piece. Rob Coulbeck, ENBALA, discussed their [example](#) for the capacity and ramp rate merit order ranking and clearing price. Judith Judson, Beacon Power, and Eric Hsieh, A123 Systems, presented a [package](#) and [supporting presentation](#) on behalf of members of the Electricity Storage Association (ESA). Scott Benner, PJM Performance Compliance, presented a [package](#) and [options](#) for rank order dispatch that would clear both capacity and mileage.