



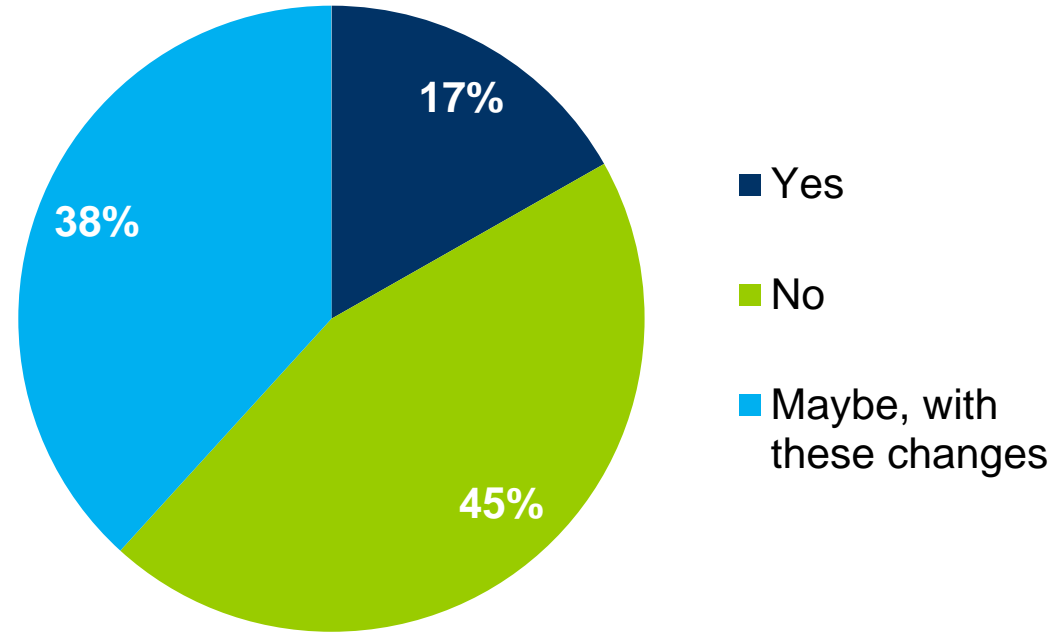
External Capacity Performance Enhancements Second Non-Binding Vote Results

Underperformance Risk Management Senior Task Force
November 10, 2016

- Total Unique Responders: 22
- Total Companies Represented: 149

1. Do you support Package B?

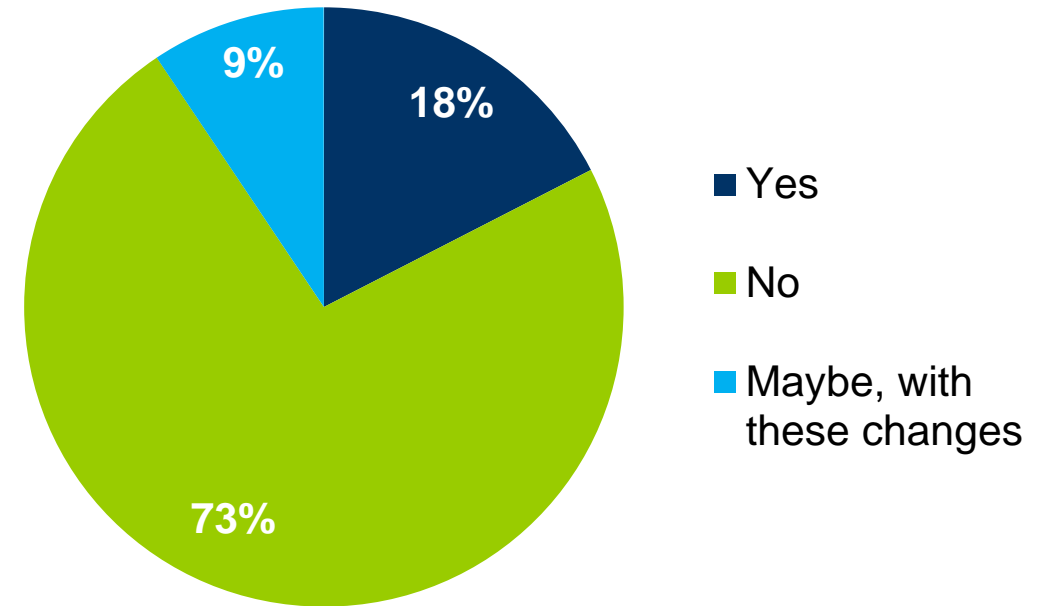
1. Do you support Package B?	#	%
Yes	25	16.78%
No	67	44.97%
Maybe, with these changes	57	38.26%



- The external resource must be modeled in the RPM auction as meeting the reliability requirements of a specific LDA.
- The external resource must be assessed for performance during Performance Assessment Hours of that LDA or smaller PAH areas.
- Could support if the transition mechanism was supported by PJM
- Transition mechanism for existing cleared RPM external resources should not be based on whether the resource historically incurred costs, however minor, to support transmittal to the border. All existing pseudo tied resources should be allowed to be studied against PJM's deliverability standards.

2. Do you support package C?

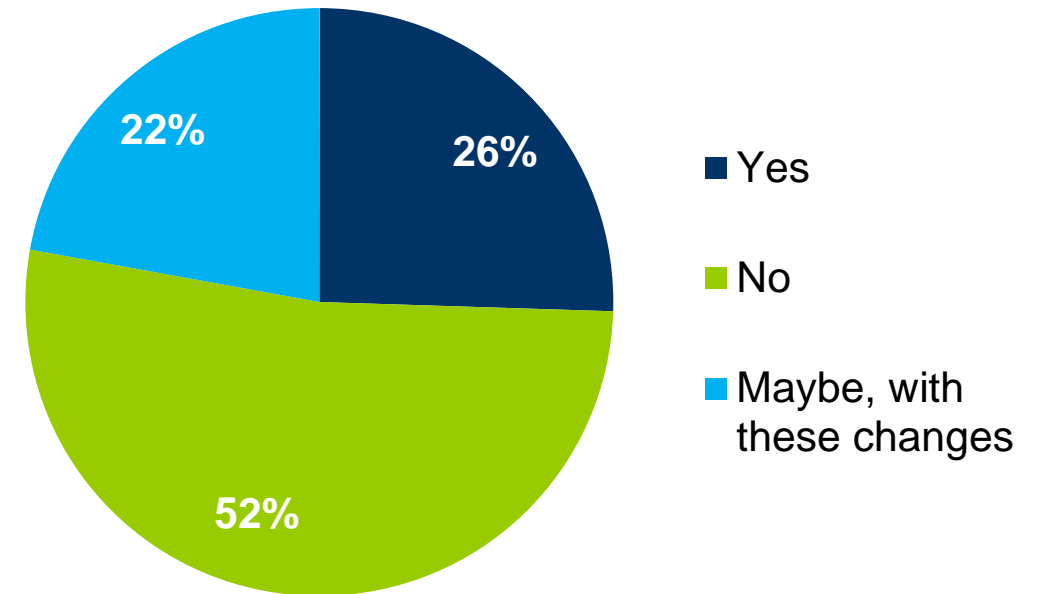
2. Do you support Package C?	#	%
Yes	26	17.45%
No	109	73.15%
Maybe, with these changes	14	9.40%



- This package needs to address the FFE issue
- Congestion management costs and costs of ARR infeasibilities should be assigned to the external generator if FFEs do not come over with the resource.
- This package fails to observe any of the requirements for demonstrating deliverability to the PJM border.
- This package fails to take responsibility for any of the costs to ensure that the external resource remains deliverable.

Do you support package D?

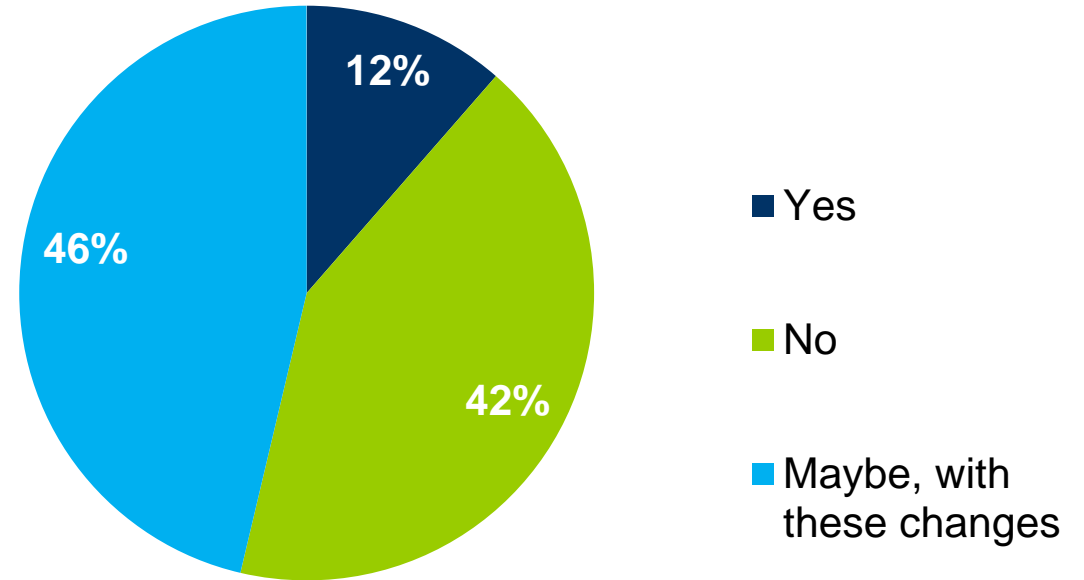
3. Do you support Package D?	#	%
Yes	38	25.50%
No	78	52.35%
Maybe, with these changes	33	22.15%



- Could support if PJM supported the transition mechanism and modeling requirements
- All existing pseudo tied resources should be allowed to be studied against PJM's deliverability standards.
- Prefer more definition on the operational modeling metric, clarity on LDA allocation

Do you support package E?

4. Do you support Package E?	#	%
Yes	17	11.41%
No	63	42.28%
Maybe, with these changes	69	46.31%



- **Modeling External Resources in RPM**
 - The external resource must be modeled in the RPM auction as meeting the reliability requirements of a specific LDA.
 - Want status quo (External Resources should be modeled in Rest of RTO)
- **Inclusion in Performance Assessment Hour Assessments**
 - The external resource must be assessed for performance during Performance Assessment Hours of that LDA or smaller PAH areas.
 - Struggle with having new pseudo tied resources modeled in the Rest of RTO but having the performance assessed at sub-RTO granularity based on operational requirements

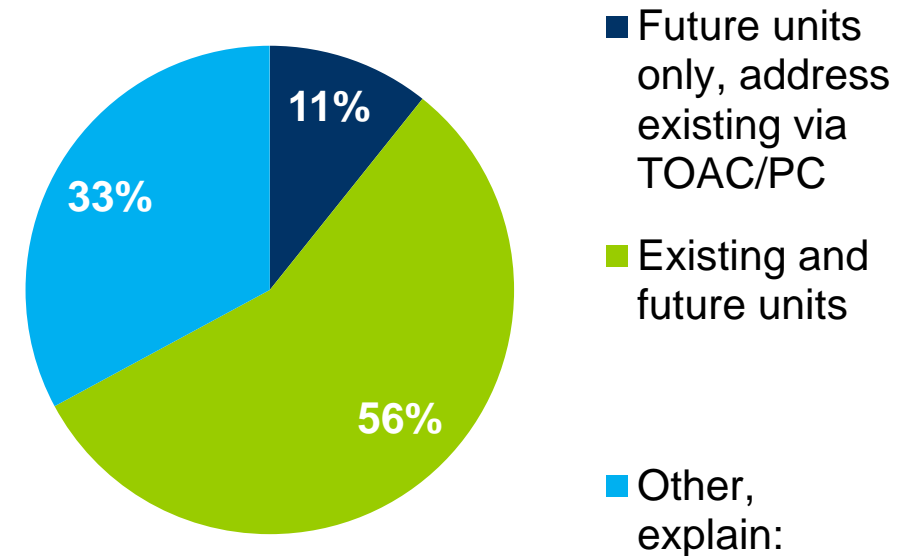
- Existing vs. Planned
 - Set requirements for existing resources at status quo
 - Do not change requirements for existing resources. They took on a capacity obligation in good faith that they were considered eligible to offer and deliverable into PJM.
 - Could support if PJM focuses only on future Pseudo Ties and does NOT push Upgrade issue to the TOAC/Planning Committee or PJM goes back to their original Package which essentially grandfathers existing Pseudo Ties.
 - Concern expressed that moving existing resource discussions to the PC/TOAC will delay getting a comprehensive solution for the next BRA.

- The FFE/FFL requirement for dealing with external congestion needs to address external systems
- PJM must identify in a clear and transparent manner any issues with an external region's deliverability standards in advance of implementing the pseudo-tie to meet PJM's deadlines.
 - PJM must be willing to work with the Resource Owner and the External Region to propose alternate requirements to be used in the evaluation of the pseudo-tied external resources to meet PJM's deliverability and RPM requirements
- Electrical Distance process needs to be more transparent - may be too subjective in identifying the threshold cutoff

Solution to Address Existing and Future or just Existing?

5. Do you support a solution that only addresses future units or do you feel the solution must address existing and future pseudo-ties?

5. Do you support a solution that only addresses future units or do you feel the solution must address existing and future	#	%
Future units only, address existing via TOAC/PC	16	10.74%
Existing and future units	84	56.38%
Other, explain:	49	32.89%

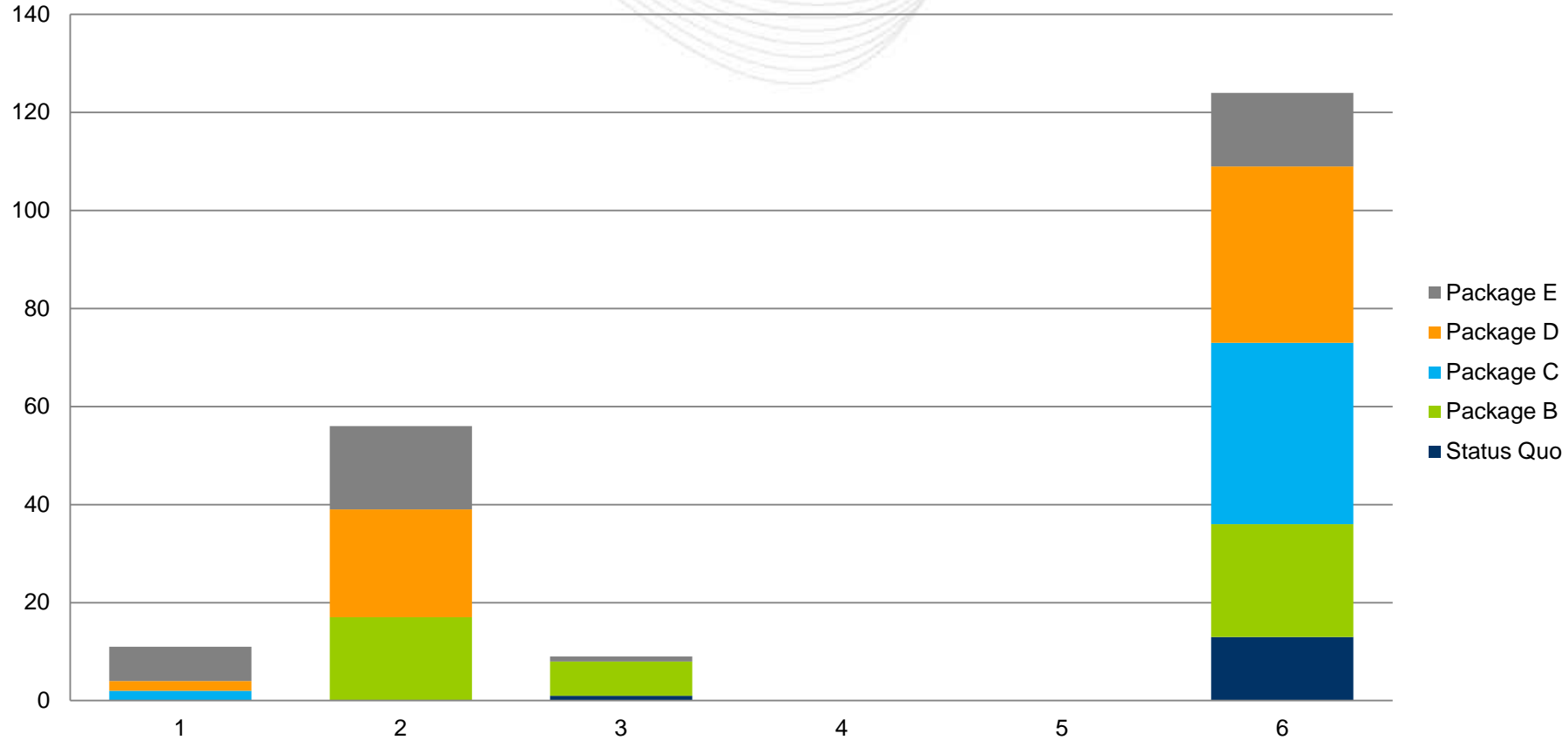


- Existing external resources need to be re-examined to verify that the capacity value for which they are being compensated is deliverable.
- The solution should focus only on future Pseudo Ties but not bring existing issue to the TOAC/Planning Committee.
- Prefer status quo
- Future units only, address existing via TOAC/PC; and to the extent that existing units are eventually deemed unable to meet the new requirements allow them to be excused via "non-viable" designation.

- Existing commitments must be honored, OR PJM must develop an alternative method for recognizing electrically close units that are used for self-supply.
- Consider taking discussion of existing units to Operating Committee instead of PC/TOAC

- If you had to vote right now, which package would you vote for? You have 6 points to allocate across your preferences. You may choose to allocate all points to just one choice, or, to distribute the 6 points across all of the packages listed. Should you allocate more than 6 points across your preferences, your response will be disqualified.

Distribution of Points Assigned



Points	Status Quo	Package B	Package C	Package D	Package E
0	135	102	110	89	109
1	0	0	2	2	7
2	0	17	0	22	17
3	1	7	0	0	1
4	0	0	0	0	0
5	0	0	0	0	0
6	13	23	37	36	15

