

External Capacity Performance Enhancements

Modeling External Capacity

URMSTF

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Monitoring Analytics

IMM Recommendation

- **External resources must meet all pseudo-tie requirements and be substitutes for internal resources**
- **External resources must meet all deliverability and related requirements to be a capacity resource, identical to an internal resource**

IMM Recommendation

- **External resource must be modeled in the RPM auctions as meeting the reliability requirements of a specific LDA**
- **If any external resource cannot be modeled as meeting reliability requirements of a specific LDA, that resource should not be allowed to participate in the PJM's capacity market**

IMM Proposed Approach

- **External capacity units should be modeled to the nearest PJM border LDA**
- **External capacity resources must meet defined criteria to be substitutes for resources internal to a specific LDA**
 - **Close electrically (dfax cutoff)**
 - **Close operationally (must be operational substitutes for internal resources)**