

Reactive Power Compensation Task Force Monthly Progress Report

12/3/2021

1. Reactive Rate Process

Issue Status

The second meeting of the Reactive Power Compensation Task Force (RPCTF) was held on Friday, December 3, 2021.

Target Completion

The expected completion date of this task force is May 2022

Progress Update

The topics covered at the December 3 meeting included the FERC Notice of Inquiry (Docket No. RM22-2-000, an overviews of the 1) AEP Methodology), 2) generation reactive capability in the PJM planning model and 3) reactive power in EMS.

The deliverables for this task force are as follows:

- A recommendation to the MRC on a proposed market rule change that would establish a
 rate or market mechanism that would reduce the procedural risks and costs associated with
 the current existing methodology, if appropriate.
- If the stakeholders determine that current Reactive Power rate mechanism or market mechanism should be modified/created, updates to the PJM Manuals, Operating Agreement and Tariff to reflect the proposed changes.

Action Requested

- Education materials on how other RTO reactive compensation methodologies.
- A review of PJM's NOI comments.