

Resource Adequacy Analysis Subcommittee
PJM Conference & Training Center
Tuesday, February 23, 2016
1:00 p.m. – 4:00 p.m. EST

ADMINISTRATION

Mr. Falin opened the meeting and reviewed the agenda. Mr. Gledhill performed roll call. The meeting minutes from the January 26, 2016 meeting were approved and will be posted as final.

DISCUSSION OF RRS ASSUMPTIONS

Mr. Patricio Rocha-Garrido contrasted a recent Southwest Power Pool (SPP) reserve margin study with PJM analysis. SPP's analysis models less load forecast uncertainty and expresses its Installed Reserve Margin (IRM) based on non-coincident peak load rather than on the coincident peak load. Both of these practices contribute to a lower IRM value.

Mr. Falin discussed the history and definition of the Capacity Benefit Margin (CBM) as seen in Manual 35 and the Reliability Assurance Agreement (RAA). Mr. Falin responded to a request from the prior RAAS meeting to discuss the risk of resources clearing in the Base Residual Auction and not showing up at the delivery year.

Next, Mr. Rocha-Garrido discussed the primary meeting topic of summer ambient derates in the capacity model used in the RRS. Analysis was shared using generator testing data to calculate the amount of deration that would be expected when the model anticipates the majority of the risk. Also discussed was the impact of new Capacity Performance rules on whether ambient derates would lead generators to modify their offered capacity.

Action Items:

- Investigate the impact on the IRM of varying the Forecast Error Factor (FEF)
- Examine forced outage rates on high risk days versus average forced outage rates, and the impact on the IRM calculation.
- Look into whether there are individual generating units where the deration percentage exceeds the forced outage rate.
- Determine the impact of Capacity Performance on generating unit offers.
- Report on PJM emergency actions when peak load exceeded 50/50 conditions.
- Calculate a value for total ambient derates through scaling the existing value (originally determined when footprint was Mid-Atlantic only) to the current RTO.

FUTURE MEETING DATES

March 24, 2016

9:30 a.m. – 12:00 p.m.

PJM Conference and Training Center

Attendance

Tom Falin (Chair)	PJM Interconnection, LLC
Andrew Gledhill (Acting Secretary)	PJM Interconnection, LLC
David Bloom	Baltimore Gas and Electric Company
David Scarpignato	Calpine Energy Services, L.P.
Sara Bishop	Calpine Energy Services, L.P.
Sanderson Chery	Consolidated Edison Company of New York, Inc.
Dan Griffiths	Consumer Advocates of PJM States
Carl Johnson	Customized Energy Solutions, Ltd
Jonathan Sasser	Customized Energy Solutions, Ltd.
Guy Filomena	Customized Energy Solutions, Ltd.
John Horstmann	Dayton Power & Light Company (The)
George Owens	Downes Associates, Inc.
John Brodbeck	EDP Renewables North America, LLC
Malcolm Ainspan	Energy Curtailment Specialists, Inc.
Frank Brandolisio	Exelon Generation Co., LLC
Sharon Midgley	Exelon Generation Co., LLC
Eric Mortenson	Exelon Generation Co., LLC
Chad Singer	Fellon-McCord
Martin Bolan	FirstEnergy Solutions Corporation
David Marton	FirstEnergy Solutions Corporation
David Pratzon	GT Power Group
Kenneth Foladare	IMG Midstream LLC
James Peters	ITC Holdings Corp.
Robert O'Connell	Main Line Electricity Market Consultants
David Mabry	McNees Wallace & Nurick LLC
George Kogut	New York Power Authority
Steven Lieberman	Old Dominion Electric Cooperative
John Gouda	Old Dominion Electric Cooperative
Gregory Carmean	OPSI
David Evrard	Pennsylvania Office of Consumer Advocate
Andrew Gledhill	PJM Interconnection, LLC
John Reynolds	PJM Interconnection, LLC
Patricio Rocha-Garrido	PJM Interconnection, LLC
Melissa Maxwell	PJM Interconnection, LLC



Meeting Minutes

Jerry Bell

Dave Pomian

Murty Bhavaraju

Bridgid Cummings

Tom Hoatson

Joel Yu

Michele Greening

Pati Esposito

James Wilson

PJM Interconnection, LLC

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PJM Interconnection, LLC

Riverside Generating, LLC

Rockland Electric Company

Talen Energy Marketing, LLC

TransCanada Power Marketing Ltd.

Wilson Energy Economics

Author: Andrew Gledhill