



Primary Frequency Response Sr. Task Force Poll Results



Glen Boyle
April 26, 2018

- Unique Responders = 19
- Total Companies = 149
- Voting Members = 43
- Affiliates = 106
- Reminder: Poll results are non-binding. Can not be used in place of a formal vote on the packages

- Can you support the Package A, the PJM proposal? The PJM package would require existing units greater than 20 MW (with an exception process) to have PFR capability, contains a one-time capital recovery method and performance measurement to ensure capability.

Can Support	% in favor	Cannot Support	% against
22	14.77%	127	85.23%

- Can you support package B, the IMM proposal? The IMM package would require existing and new units greater than 10 MW (with an exception process) to have PFR capability. The IMM position is that the obligation to provide primary frequency response service should apply to all new and existing resources in order to prevent a competitive advantage to existing resources in PJM’s markets. The IMM position is that the costs of PFR are already reflected as a cost of doing business in PJM markets. No additional compensation is required for new or existing resources because PJM’s capacity and energy markets already provide the opportunity for compensation and recovery of costs associated with the installation, maintenance and operation of primary frequency response capability. The IMM position is that providing additional, out of market compensation to existing resources to recover costs associated with PFR is not only unnecessary, it would create an unfair competitive advantage to existing resources.**

Can Support	% in favor	Cannot Support	% against
18	12.08%	131	87.92%

- Can you support package C, the AEP proposal? The AEP package applies PFR capability requirements on new units as well as existing unit that increase their unit capability via a modified interconnection agreement. Existing resources providing PFR are encouraged to continue to do so. Compensation for PFR capability could be sought at FERC. If the system-wide aggregate response reduces by 10% or greater the group will reconvene to analyze and suggest, if necessary, possible solutions. Units will provide annual confirmation on whether frequency response capabilities should be available, assuming equipment not in outage, from the unit during actual system restoration. PJM and TOs would utilize this information to start restoration impact discussions with individual generators.**

Can Support	% in favor	Cannot Support	% against
88	59.06%	61	40.94%

- Can you support package D, the PJM option B proposal? The PJM option B package applies PFR capability requirements on existing units under a restoration scenario contains a one-time capital recovery method with reevaluation of the requirements if the system-wide aggregated real-time response reduces by 10% or greater.**

Can Support	% in favor	Cannot Support	% against
57	38.26%	92	61.74%

Package	Can Support	% in favor	Cannot Support	% against
PJM	22	14.77%	127	85.23%
IMM	18	12.08%	131	87.92%
AEP	88	59.06%	61	40.94%
PJM "B"	57	38.26%	92	61.74%

- **Not aligned with FERC Order 842**
 - Some interpret Order 842 as specifically exempting existing resources from PFR requirements
- **PJM did not make case for need for PFR requirement**
- PFR requirement would be an unfunded mandate
- Nuclear exception is discriminatory
- Does not support capital cost recovery

1. Vote after April PFRSTF
 - First read at MRC in May
 - Wait for FERC rehearing on Order 842 to vote
2. Delay vote at PFRSTF until FERC rehearing
 - Give update to MRC in May
 - PFRSTF goes on hiatus until FERC rehearing
3. Continue to work towards possible compromise solution