

Primary Frequency Response (PFR) Requirement

Issue Source

PJM

Stakeholder Group Assignment

This issue is operational in nature and primarily concerns system operations and reliability, but since there will also be compensation discussions it is recommended that the issue is addressed by a new Sr. Task Force reporting to the Markets and Reliability Committee (MRC). Issues related to compensation to be addressed concurrently with the operational review in the same group. Any recommended compensation changes, if appropriate or necessary, should be reviewed with the Markets Implementation Committee (MIC) prior to presentation to the MRC.

Key Work Activities

Key work activities could include but are not limited to:

- Education on frequency response and its impact on system reliability.

- Evaluation of existing state of frequency response, both on a BAL-003 basis and an event-by-event basis.

- Evaluation of PJM Operating Agreement, Tariff and Manuals to determine if additional language is needed for requirement of frequency response capabilities, for existing and future PJM resources.

- Discussions on eligibility, measurement, and verification requirements. Recommend changes if appropriate or necessary.

- Discussions on potential compensation mechanisms associated with providing primary frequency response capability. Recommend compensation changes if appropriate or necessary.

Expected Deliverables

- Updates to PJM Operating Agreement, Tariff and Manuals as required

Expected Overall Duration of Work

The overall duration of the work is estimated to be 6 months. Implement changes coincident with any governing document changes required by FERC NOPR under RM16-6.

Decision-Making Method

Group will seek Tier 1, consensus (unanimity) on a single proposal for the issues identified in the groups.

More detail available in M34; Section 6.3: Determining to pursue a new Issue & Section 6.4: Charging a new issue