



2024/2025 BRA Update and PJM Notice of Consultation with the Members Committee pursuant to Tariff Section 9.2(b) and Transmission Owners pursuant to CTOA Section 7.5.1(ii)

PJM Members Committee
December 21, 2022



LDA Reliability Requirements

2024/2025 RPM Base Residual Auction Planning Period Parameters

LDA Reliability Requirements and Capacity Import Limits for 2023/2024 and 2024/2025 BRAs

LDA	2023/2024 BRA		2024/2025 BRA		Delta			
	Reliability Requirement (UCAP MW)	CETL (MW)	Reliability Requirement (UCAP MW)	CETL (MW)	Reliability Requirement (UCAP MW)	CETL (MW)	Reliability Requirement (Percent)	CETL (Percent)
MAAC	63,819.0	6,381.0	63,518.0	5,965.0	-301.0	-416.0	0%	-7%
EMAAC	35,590.0	8,704.0	35,415.0	8,594.0	-175.0	-110.0	0%	-1%
SWMAAC	14,329.0	8,389.0	14,299.0	7,947.0	-30.0	-442.0	0%	-5%
PS	11,217.0	9,022.0	11,166.0	8,287.0	-51.0	-735.0	0%	-8%
PS NORTH	5,768.0	4,349.0	5,715.0	4,253.0	-53.0	-96.0	-1%	-2%
DPL SOUTH	3,141.0	2,008.0	3,514.0	2,009.0	373.0	1.0	12%	0%
PEPCO	7,163.0	7,160.0	7,151.0	7,033.0	-12.0	-127.0	0%	-2%
ATSI	14,649.0	10,213.0	14,434.0	10,465.0	-215.0	252.0	-1%	2%
ATSI-Cleveland	5,363.0	4,728.0	5,374.0	4,941.0	11.0	213.0	0%	5%
COMED	24,077.0	5,781.0	23,859.0	4,640.4	-218.0	-1,140.6	-1%	-20%
BGE	7,522.0	5,615.0	7,514.0	5,397.0	-8.0	-218.0	0%	-4%
PL	10,251.0	4,916.0	10,214.0	4,337.0	-37.0	-579.0	0%	-12%
DAYTON	3,924.0	4,022.0	3,922.0	3,918.0	-2.0	-104.0	0%	-3%
DEOK	6,847.0	5,632.0	6,881.0	4,999.0	34.0	-633.0	0%	-11%

As part of the RTEP analysis, PJM determines the Reliability Requirement for the RTO and for each LDA.

- Analysis begins with the anticipated, physical model, including existing and new generation resources expected to be in service for the Delivery Year based on the existence of signed Interconnection Service Agreements.
- For each LDA, the RTEP analysis determines the capacity transfers required into the LDA to maintain reliability during the year based upon the load profile and anticipated outages of units in the LDA – this is referred to as the Capacity Emergency Transfer Objective (CETO).
- The reliability requirement for an LDA is defined as the CETO plus the internal generation modeled for the LDA.

In the case of a small LDA like DPL-S, additions of large and/or intermittent units can result in an increase in the reliability requirement because capacity transfers are necessary to account for times when the resources are not available.

New resources modeled in the DPL-S LDA totaled around 1000 MW of capacity

- When the units are modeled in the reliability analysis but do not offer into the auction, the LDA is short and the market clears at an unjustly high price because of the increased reliability requirement.
- On the other hand, if the units are not modeled in the reliability analysis but do offer into the auction and come on line, then the auction could under-procure what is needed for reliability.

Therefore, the default needs to be that we model these units in the reliability analysis – however, if they don't offer into the auction, the reliability requirement needs to be adjusted downward accordingly.

PJM Plans to Submit a Section 205 filing (along with a possible section 206 filing) with FERC to:

- PJM proposes to add language to the Tariff under the 205 filing that would prospectively allow PJM, during the auction clearing process, to exclude resources from the LDA Reliability Requirement if those resources do not participate in the auctions where the reliability requirement materially increases (more than 1%).
- In such cases PJM would recalculate the reliability requirement during the auction clearing process without the planned resources that did not offer included in the model.
- Possible 206 filing would establish a refund date and preserve options for FERC.

Update the definition of Locational Deliverability Area Reliability Requirement as follows:

- “Locational Deliverability Area Reliability Requirement” shall mean the projected internal capacity in the Locational Deliverability Area plus the Capacity Emergency Transfer Objective for the Delivery Year, as determined by the Office of the Interconnection in connection with preparation of the Regional Transmission Expansion Plan, less the minimum internal resources required for all FRR Entities in such Locational Deliverability Area. Notwithstanding the foregoing, during the auction clearing process, the Office of Interconnection shall exclude any Planned Generation Capacity Resource or Intermittent Resource that do not participate in the relevant RPM Auction as projected internal capacity and in the Capacity Emergency Transfer Objective model where the Locational Deliverability Area Reliability Requirement increases by more than one percent over the prior year due to the addition of Planned Generation Capacity Resource or Intermittent Resource.