

# Resource Eligibility for Reserves Proposal

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Revise the Tariff and Operating Agreement to clarify the process through which PJM will determine resource eligibility to provide reserves. These revisions should clearly describe:

- Resource classes that PJM has designated as incapable of providing reserves, for each reserve product;
- The exemption process PJM will use to determine reserve eligibility if a resource is automatically deselected from providing reserves; and
- The process by which PJM will communicate this information and determination to the Market Seller.

PJM will exclude nuclear, wind, and solar resources from being eligible to provide reserves by default

- This resource class exclusion applies to each reserve product
- A Market Seller may submit a written request for a generating resource's exemption to PJM and provide supporting technical information. PJM will evaluate and provide a written response of approval or denial within 30 business days
- Exemption process will be similar to existing processes for consideration in the Tier 1 estimate or ramp rate and SpinMax exemptions as currently described in Manual 11, Section 4.2.1

- Including the IMM in the process
- Standard for evaluation is the ability to follow dispatch at the direction of PJM.
- Example of documentation supporting the request includes historical operating data showing voluntary response to reserve events and/or technical information about the physical operation of the resource
- Hybrid resources – still under review but likely eligible to provide reserves by default

Added to:

- Section 1.7.19A – Synchronized Reserve
- Section 1.7.19A.01 – Non-Synchronized Reserve
- Section 1.7.19A.02 – Secondary Reserve

A resource is not eligible to provide Synchronized Reserve if its entire output has been designated as emergency energy or *if the resource is a nuclear, wind, or solar unit, unless the Market Seller of such a resource has obtained written approval from the Office of the Interconnection to provide Synchronized Reserves. To obtain such approval, the Market Seller must submit to the Office of the Interconnection and the Market Monitoring Unit a written request for exemption and provide documentation to support the resource's ability to follow dispatch at the direction of the Office of Interconnection, such as historical operating data showing voluntary response to reserve events and/or technical information about the physical operation of the resource. The Office of the Interconnection and the Market Monitoring Unit shall review, in an open and transparent manner as between the Market Seller, the Market Monitoring Unit, and the Office of the Interconnection, the information and documentation in support of the request for approval to provide reserves. No later than 30 Business Days from the date of data submittal supporting the request, the Office of the Interconnection shall determine, with the advice and input of the Marketing Monitoring Unit, whether the resource will be permitted to provide reserves and provide written notification to the Market Seller of such determination. If the request is denied, the Office of the Interconnection shall include in the notice a written explanation for the denial.*