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Proposed Updates in “Performance Obligation Impacts” Area

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MIC Special Session

BTMG Business Rules on Status Changes

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- PJM proposed initial updates to address gaps in the existing business rules in the “Performance Obligation Impacts” area of Gap Analysis Matrix

#	Component	Existing Language (Status Quo)	Identified Gap
	Performance Obligation Impacts		
17	Performance Obligations for portions of capability designated	<p>Manual 14D, Appendix A #12. A party may change all or a portion....simultaneously for a designated portion of a unit’s capability. Any portion of a unit that has been qualified as a Capacity Resource is subject to the same requirements as any other PJM Capacity Resource. Because of the number of procedural requirements associated with changing to or from BTMG status, such changes shall be limited to once per year in accordance with the schedule set forth below.</p> <p>#54. A Non-Retail BTMG unit that had generation output that was allowed to net against the wholesale area actual load in the determination of a wholesale area’s network service peak load or obligation peak load shall be required to operate during the first ten occurrences of Maximum Generation Emergency (MGE) conditions in the zone in which the resource is located between the period of November 1 through October 31. This obligation applies to an MGE condition called for either generation or transmission emergencies.</p> <p>M14D, Appendix A, # 19. If Non-Retail BTMG is subject to a reduced netting credit as described in Rule 63 below, that generator is ineligible to change its behind the meter status until the full effect of that reduction has been fully rolled out.</p> <p>#62. For each performance compliance event Non-Retail BTMG that is subject to a performance compliance evaluation and is not on a scheduled outage but fails to operate, in whole or in part, the netting associated with that resource for purposes of determining a wholesale area’s network service peak load and obligation peak load will be reduced by ten percent of the amount of megawatts the resource failed to produce. The amount of megawatts that the resource failed to produce, the unit’s performance shortfall, will be the difference between its expected performance level and its megawatt average output over the period of the emergency event. [Example: if a Non-Retail BTM resource is expected to perform at an output of 100 MW during an emergency event for which performance compliance is evaluated, but only operates to a level of 75 MW, in the next year, the amount of hourly generation output from the unit that will be allowed to net against the wholesale area load will be reduced by 2.5 MW, which is the product of the following calculation: $(100 - 75) \times .10$].</p> <p>#63. A unit’s performance shortfall may be reduced by the over-performance of another Non Retail BTMG unit associated with the same wholesale area and located in the emergency action area.</p>	<p>Clarify that MWs of NRBTMG unit that are in NRBTMG status during emergency events are subject to NRBTMG operational performance requirement. MWs of NRBTMG unit that are in Generation Capacity Resource and/or Energy Resource or PJM Load Response status during emergency events are subject to Non-Performance Assessment.</p>
18	Restrictions on status change from NRBMTG to Capacity Resource/Energy Resource due to NRBTMG performance penalties.	<p>#67. A generator that moved behind the meter is not eligible to move back in front of the meter until the impact of the reduced netting penalty described in Rule 62 above has been rolled out.</p>	<p>Rule #19 and #67 is not recognizing that performance of NRBTMG units is netted (rule #63).</p> <p>Rule #19 is referencing incorrect rule # (should be referencing #62 as opposed to # 63).</p>

~~52.69~~ A Non-Retail BTMG unit that had generation output that was allowed to net against the wholesale area actual load in the determination of a wholesale area’s network service peak load or obligation peak load shall be required to operate during the first ten occurrences of Maximum Generation Emergency (MGE) conditions in the zone in which the resource is located between the period of November 1 through October 31. This obligation applies to an MGE condition called for either generation or transmission emergencies. MWs from a Non-Retail BTMG unit operating in Non-Retail BTMG status during emergency events are subject to this Non-Retail BTMG operational performance requirement. MWs from a Non-Retail BTMG unit that are operating in Generation Capacity Resource and/or Energy Resource status or PJM Load Response status (Pre-Emergency/Emergency or Economic Load Response) during emergency events are subject to Non-Performance Assessment in accordance with Manual 18, Section 8.4A.

- Update to clarify MWs from a Non-Retail BTMG unit operating in NRBTMG status during emergency events are subject to Non-Retail BTMG operational performance requirement.
- Update to clarify MWs from a Non-Retail BTMG unit operating in Generation Capacity Resource and/or Energy Resource status or PJM Load Response status during emergency events are subject to Non-Performance Assessment.

~~17.32. If Non-Retail BTMG is subject to a reduced netting credit as described in Rule 63 below, that generator is ineligible to change its behind the meter status until the full effect of that reduction has been fully rolled out. If a wholesale area is subject to a reduced netting due to Non-Retail BTMG unit(s) failure to perform in compliance events (as described in business rules #77-80), the relevant LSE's requested adjustment to the wholesale area's network service peak load or obligation peak load due to a Generation Capacity Resource changing status to Non-Retail BTMG status or due to a new Non-Retail BTMG shall be reduced such that the full effect of the total netting reduction amount due to Non-Retail BTMG unit(s) failure to perform still applies.~~

- Update to clarify if wholesale area is subject to reduced netting due to NRBTMG unit(s) performance failures, the LSE's requested adjustment to wholesale area's NSPL or OPL due to a Generation Capacity Resource changing status to Non-Retail BTMG status or due to a new Non-Retail BTMG shall be reduced such that full effect of the total netting reduction amount still applies.

M14D, Appendix A – renumbered #82

~~65.82. A generator that moved behind the meter is not eligible to move back in front of the meter until the impact of the reduced netting penalty described in Rule 62 above has been rolled out. The impact of any netting reduction amount to a wholesale area's network service peak load for the subsequent calendar year or obligation peak load for subsequent Planning Period, as a result of Non-Retail BTMG unit(s) failure to perform, remains in effect for the subsequent calendar year/Planning Period regardless if a Non-Retail BTMG unit in the wholesale area changes to Generation Capacity Resource status at a point in time during such calendar year/delivery year.~~

- Update to clarify the impact of any netting reduction amount to wholesale area's NSPL/OPL remains in effect for subsequent calendar year/Planning Period regardless if a Non-Retail BTMG unit in wholesale area changes to Generation Capacity Resource status at a point in time during such calendar year/Planning Period.

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MIC Special Session - Behind the Meter Generation Business Rules on Status Changes



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