

Eligibility for Collecting Reactive Capability Rates

MMUAC

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OATT Schedule 2

- **PJM procures reactive capability under Schedule 2 to the OATT**
- **PJM procures capability for the Transmission System in its role as the Transmission Provider**
- **PJM is not responsible to procure reactive capability for facilities that it does not manage**
- **In some cases, generators are not required to provide reactive output under their interconnection service agreements**

Reactive Capability Is Local

- **Reactive power is a local service**
- **PJM plans to ensure sufficient reactive capability throughout the system**
- **The contribution from generators is deemed sufficient if all units have a .9 lagging to .95 leading power factor**
- **Separate provisions compensate resources dispatched for reactive output (MVAR)**
- **Pseudo tied units are explicitly excluded from eligibility for compensation under Schedule 2**
- **The issue is pending in Ingenco (ER20-1863) and Whitetail 3 (ER20-1851)**

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