

## Reliability Limited Generator Compensation Task Force Proposal

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10/4/2011

- Problem/Opportunity Statement presented
  - Governing Agreements lacked clear definition of reliability limits and compensation methodology

2/17/2012

- Reliability Limited Generator Compensation Task Force (RLGCTF) created by MIC
  - Education on certain Stability Limitations
  - Consider Tariff, Operating Agreement, and manual changes

7/11/2012

- Charter approved
  - 12 total meetings of the RLGCTF

NOTE: Issues discussed represent less than 1% of all outages within PJM during the past 5 years.



At what level should Lost Opportunity Cost be compensated?

Generators will be paid Lost Opportunity Cost to the lesser of the Economic Maximum or Maximum Facility Output

## PJM Action Items:

- Current PJM Process for Handling Stability Issues
- An update on stability outages will be provided in the MIC update when applicable



- Section 1.3.2A.01
  - Clarifying language for Economic Minimum definition
  - Added Economic Maximum definition
- Added new section 3.1.1 Settlements
- Section 3.2.3 Operating Reserves and Section 3.2.3B
  - Added Lost Opportunity Cost shall be limited to the lesser of the units Economic Maximum or the units Maximum Facility Output





