

Purpose & Role of Deliverability at PJM

- Two types of risk must be considered when measuring the reliability of the power system
 - Generation risk
 - Transmission risk
- PJM's Reserve Requirement Study ensures that generation risk across PJM involves no more than one event in ten years where the generation supply is less than the demand on the system
- The concept of deliverability was introduced in order to ensure the transmission risk does not appreciably increase the overall generation risk
 - Load deliverability
 - Generation deliverability

- The concept of load deliverability was first introduced at PJM about 50 years ago to ensure there was minimal transmission risk serving each load (locational) deliverability area in PJM
- At the inception of the PJM Interconnection Queue about 20 years ago the concept of generator deliverability was introduced to complement the load deliverability concept and ensure that Generation Capacity Resources were not bottled
- The usage of deliverability at PJM has expanded since it was first introduced to not just account for transmission risk but also address operational performance concerns, i.e. PJM wants to plan the transmission system to have both a low transmission-to-generation risk ratio and enough deliverability such that operational performance concerns are minimized

- The changing resource mix will introduce new resource adequacy and transmission concerns
- The purpose of the educational session PJM is providing today is to give stakeholders a better understanding of how PJM envisions integrating the concepts of resource adequacy and deliverability in planning for a reliable transmission system under a future with high renewable penetration
- Today's session will focus on several specific, interrelated topics that are being discussed at the Planning Committee
 - Capacity Interconnection Rights (CIRs)
 - Implementation of ELCC
 - Proposed Generator Deliverability Modifications