

Only the following generators and storage resources can be exempted from having Primary Frequency Response (PFR) capability:

1. Existing generating facilities regulated by the U.S. Nuclear Regulatory Commission (NRC).
2. Any generator/storage resource that has submitted a request to PJM to be deactivated.
3. Existing generator/storage resources less than 10 mw as measured/aggregated at the point of interconnection.

- ~~1. Existing generating facilities regulated by the U.S. Nuclear Regulatory Commission~~
- ~~2. Any generator that has submitted a request to PJM to be deactivated.~~
- ~~3. Technical reason exemption:~~

Once an exemption is approved by PJM, it is considered permanent unless preempted by a FERC order or new/revised NERC standard or other regulatory requirement, requiring resource to provide Primary Frequency Response.

All other new and existing resources are expected to have the capability, within 24 months of the implementation date of business rule changes recommended by PFRSTF, to provide PFR, and have a functional governor or equivalent speed control device, with a deadband of less than or equal to 36 mHz, and droop of less than or equal to 5% as specified in PJM manuals, unless an exemption from PFR requirements is submitted to PJM and approved as described below.

Full Exemption for technical reason:

Those generators that otherwise would be required to provide PFR but cannot technically be retrofitted with Primary Frequency Response capability shall submit a request to PJM within 6 months of the implementation date of business rule changes recommended by PFRSTF. The request should explain the technical infeasibility, including data to justify the exemption request such as OEM documentation, or other regulatory restrictions, etc. Economics cannot be used as exemption criteria; the technical infeasibility has to be a physical restriction that cannot be rectified using any available commercial alternatives. Cost of physical modifications and modes of operation (i.e. sliding pressure control) are examples of economic considerations.

Those generators for which Primary Frequency Response is technically infeasible as determined by PJM, with input from the IMM, may be granted a permanent exemption from the requirement. PJM/IMM review will consider the justification for the exemption along with the system impact from a reliability perspective.

PJM will make a determination within 90 calendar days following receipt of the request and required documentation. If PJM does not grant an exemption, the generator shall acquire the capability to provide Primary Frequency Response within 12-24 months of ~~being notified of that determination~~ the implementation date of business rule changes recommended by PFRSTF. An attestation to PJM will be required confirming that unit is compliant with endorsed business rules regarding Primary Frequency Response requirements. PJM and IMM will monitor performance and follow up as required.

Exemptions from PFR requirements:

~~++++ DRAFT ++++~~Rev 2.

(Note: This exemption is similar to that allowed in [BAL-001-TRE-1](#), Primary Frequency Response in the ERCOT Region, [ISO-NE OP-14](#), & [ISO-NE M/LCC 10](#).)

NOTE: If a generator or storage resource requests a full exemption for technical reason, that is denied by PJM, and cannot acquire the capability to provide Primary Frequency Response within 24 months of the implementation date of business rule changes recommended by PFRSTF, the resource owner is required to file a mitigation plan with PJM. This mitigation plan would include reasons for not being able to meet the 24 month deadline, and timeline for completion of required modifications, including an expected date of completion. PJM and IMM will monitor performance and follow up as required.

Examples of what PJM would consider justifying technical infeasibility:

- Original Equipment Manufacture's documentation
- A state or federal mandated regulation
- A federal, state, or local jurisdiction mandated permit, or safety requirement

Examples of what PJM would NOT consider justifying technical infeasibility:

- Economic Decisions on how to operate the unit
- Outdated or degraded technology or lack of enhancements to bring the unit or equipment to modern operating standards (unless the unit has a firm retirement date)
- A conservative operations approach to operating the unit or equipment to reduce equipment maintenance
- Marketing or operational strategies to limit unit response

(Partial) Exemption for Governor Settings

Generators or storage resources that do have a functional governor or equivalent speed control device, but cannot meet the requirements for droop and deadband as specified above, can request a partial exemption for settings. The process, supporting data/documentation, and timeline are identical to the full exemption process described above.