

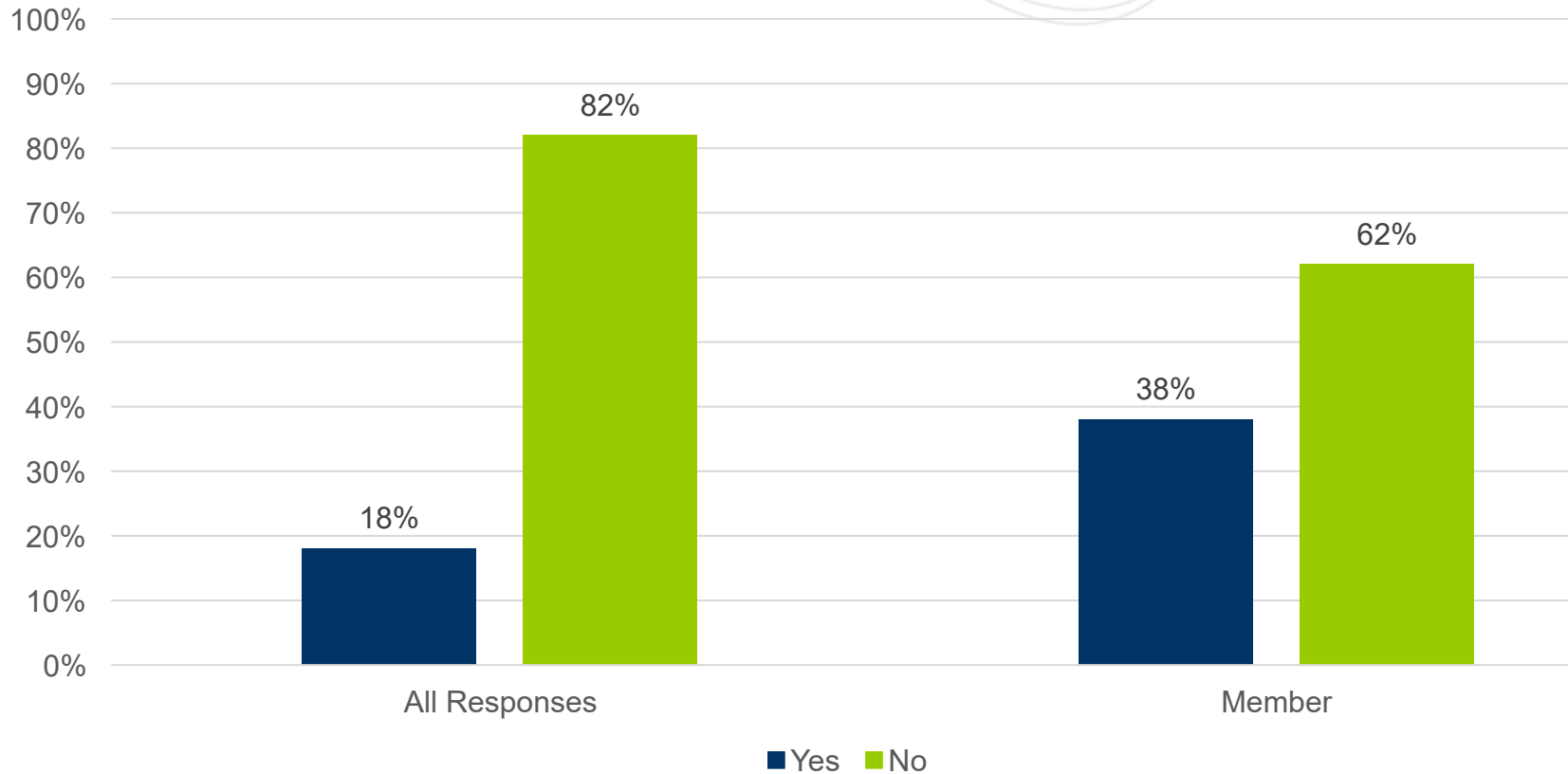


RPCTF Poll Results

January 6, 2023

- Poll responses are non-binding and intended to solicit feedback on potential support for proposals
- Total responses: 589
 - Member responses: 280
 - Non-Member responses: 309
- Unique responses:
 - 17 responses for non-members
 - 37 responses for members
 - 11 responded for both members and non-members

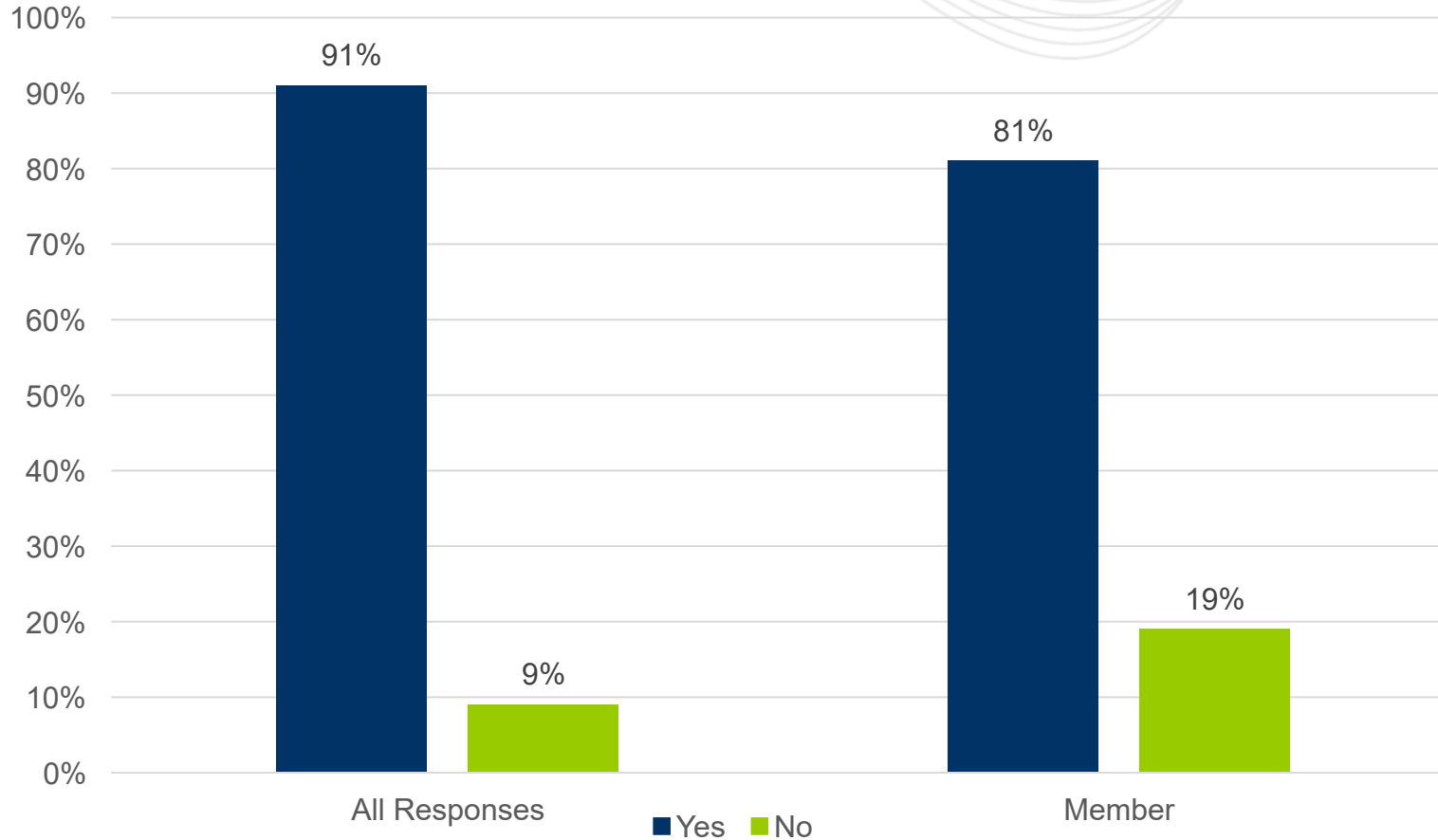
Do you believe a change is needed to the current Reactive Power Schedule 2 compensation method?



Comments:

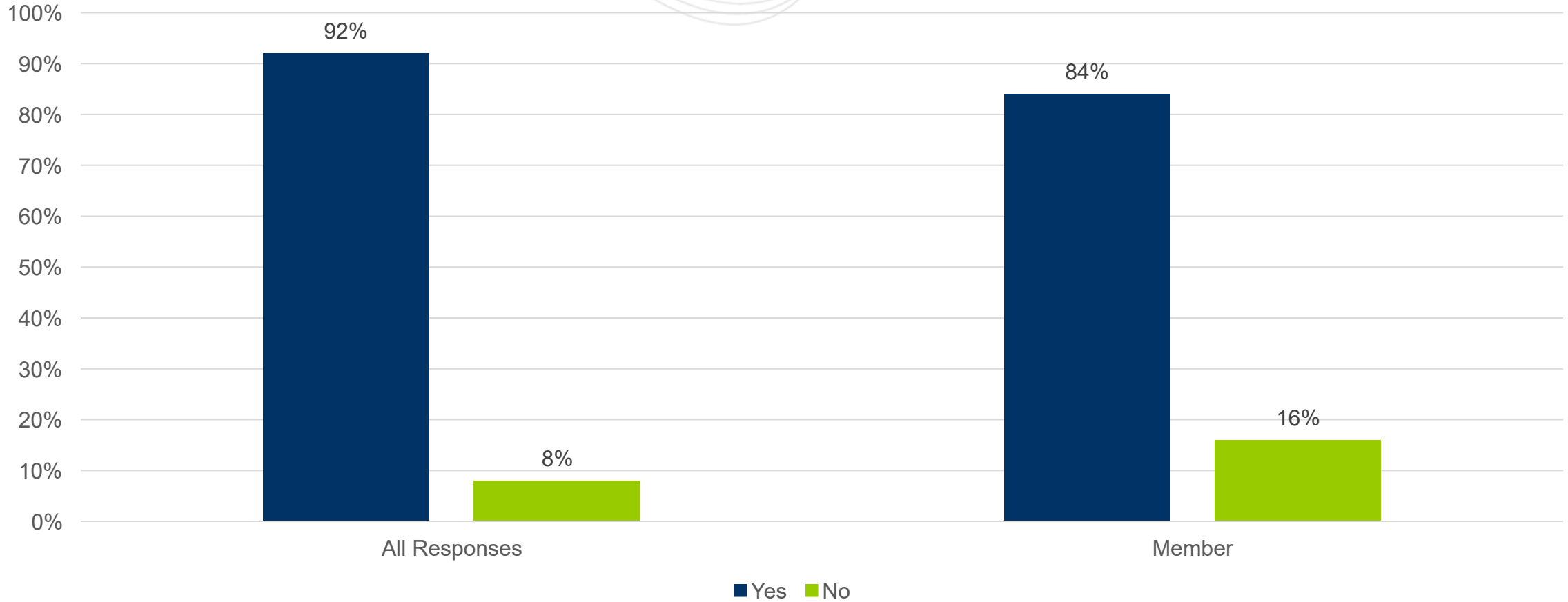
- The current process is administratively burdensome and time consuming. A more streamlined approach will offer greater certainty
- The current AEP-cost of service compensation method allows resources to predict their costs accurately and provides stable revenue for resources.
- There is no consideration of the system’s reactive requirement in current Schedule 2 method.

Do you believe a cost of service model should be used for reactive compensation?

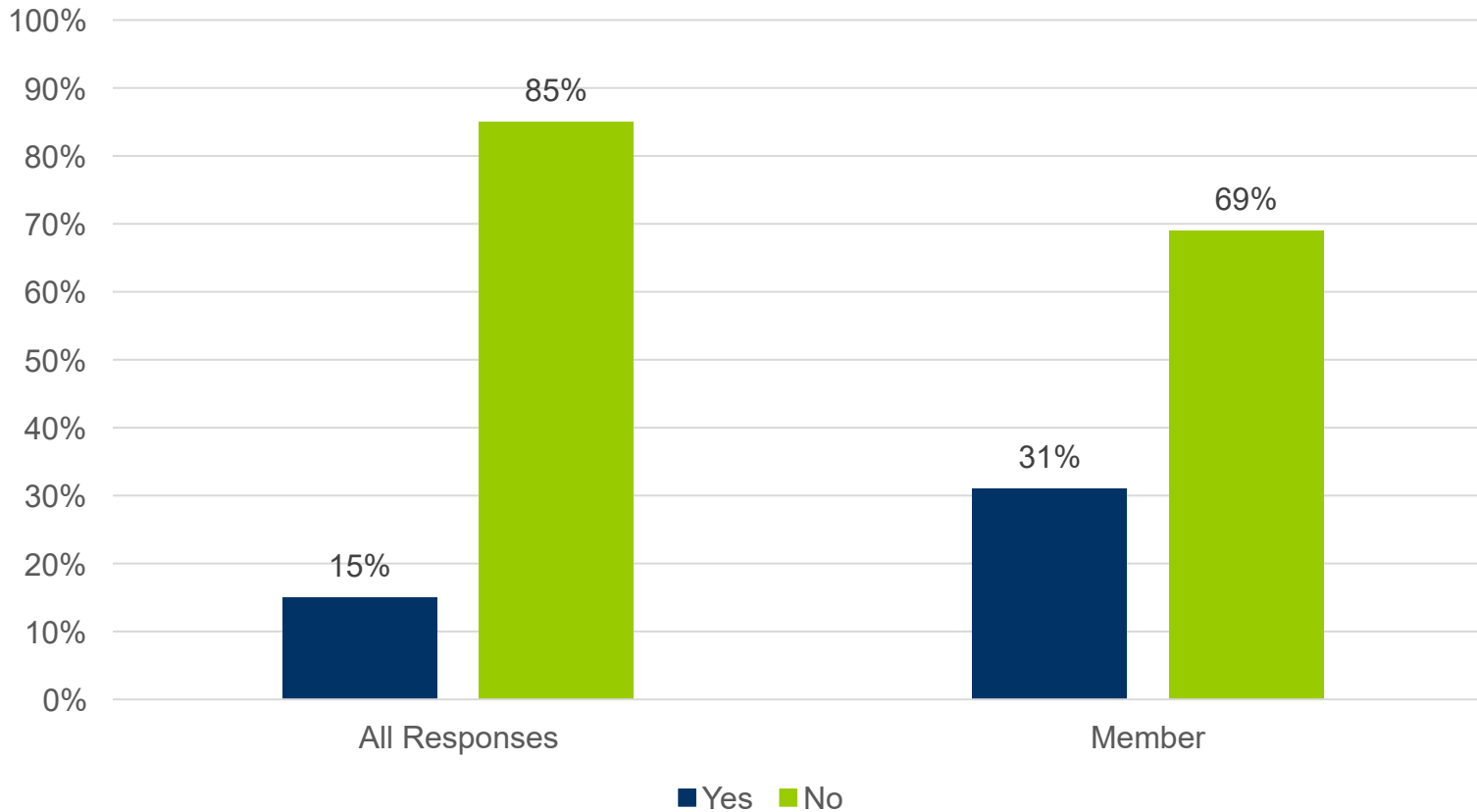


- Comments:**
- Some comments suggest cost of service should be used, some comments suggest a market mechanism should be used.
 - Cost of service should be considered in order to maintain comparability

Do you believe the AEP methodology is a reasonably accurate determination for generator reactive costs?



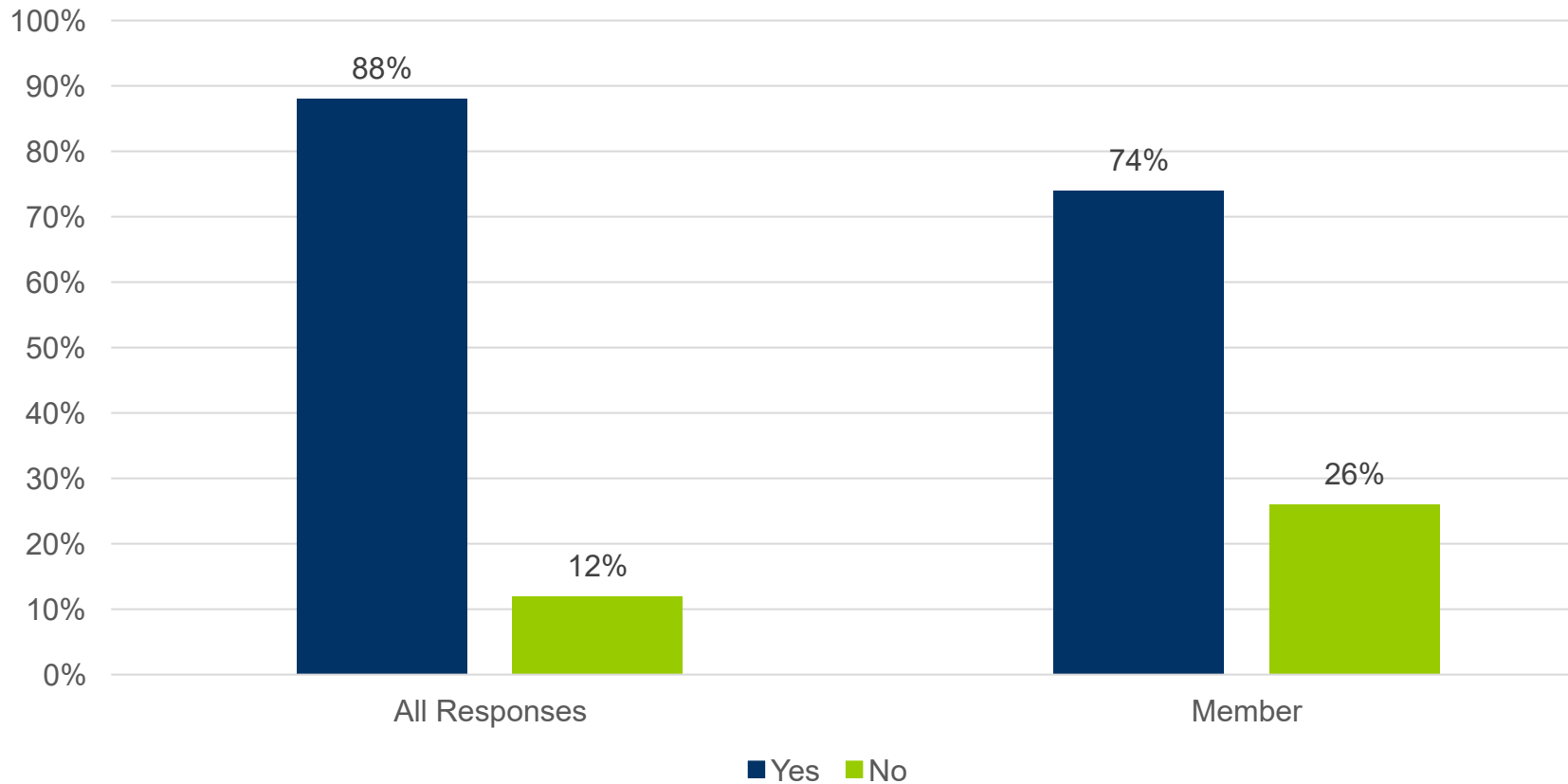
Do you believe a flat rate approach, unrelated to cost of service factors, should be used for reactive compensation?



Comments:

Cannot use a market-based rate to compensate reactive power because reactive power is a highly localized service whose value to the system is potentially infinite in certain areas, and because providing reactive power is a requirement of interconnection.

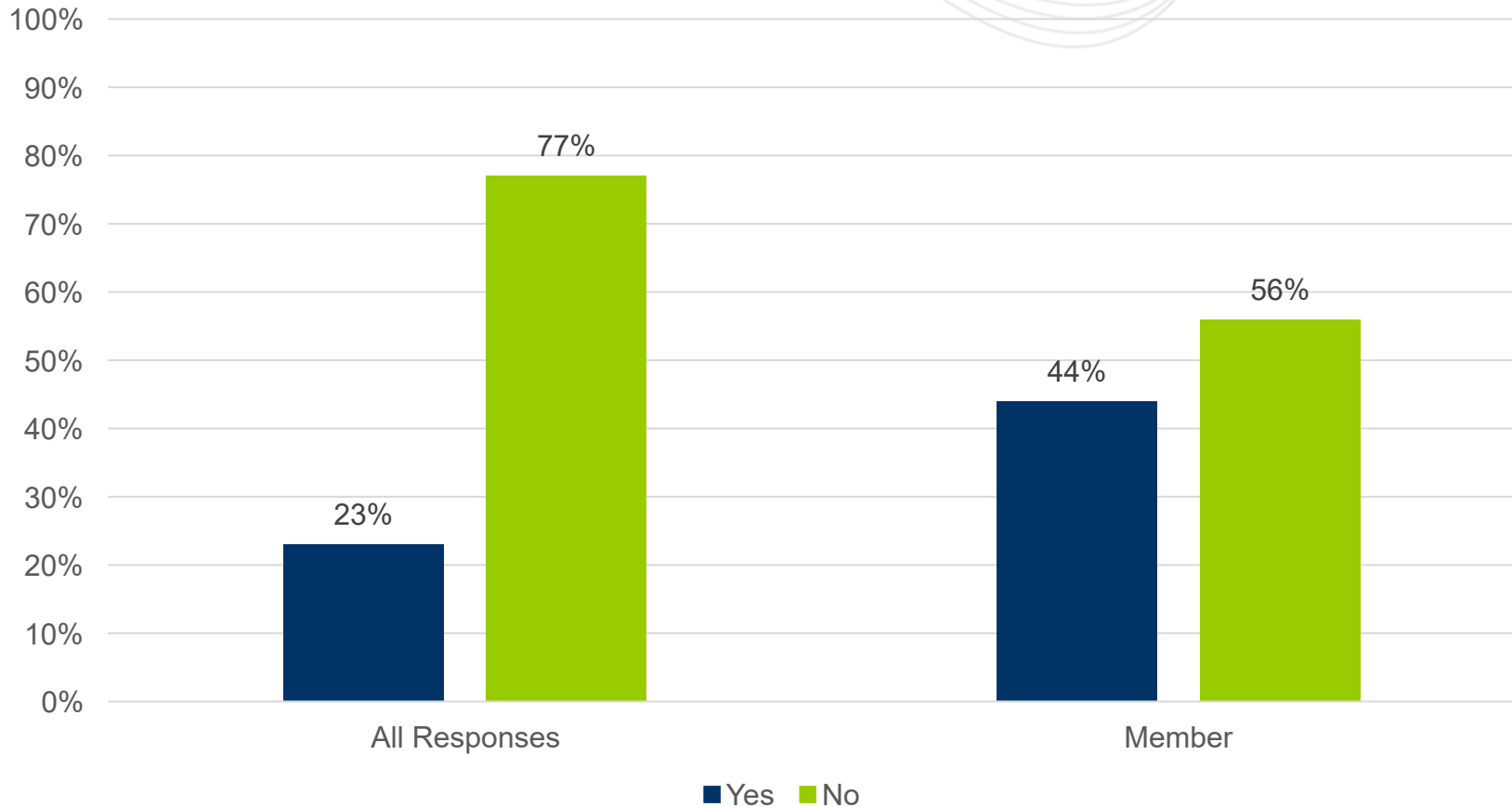
Do you believe that additional compensation in excess of current existing market-based compensation for reactive capability is appropriate?



Comments:

- Some uncertainty expressed on what the question was asking
- FERC distinguishes between capacity and ancillary services, (which include reactive), as separate products provided from the same generation.
- Intermittent resources have reactive capability that can be significantly divorced from their ability to deliver real power. (example: wind Q at night)

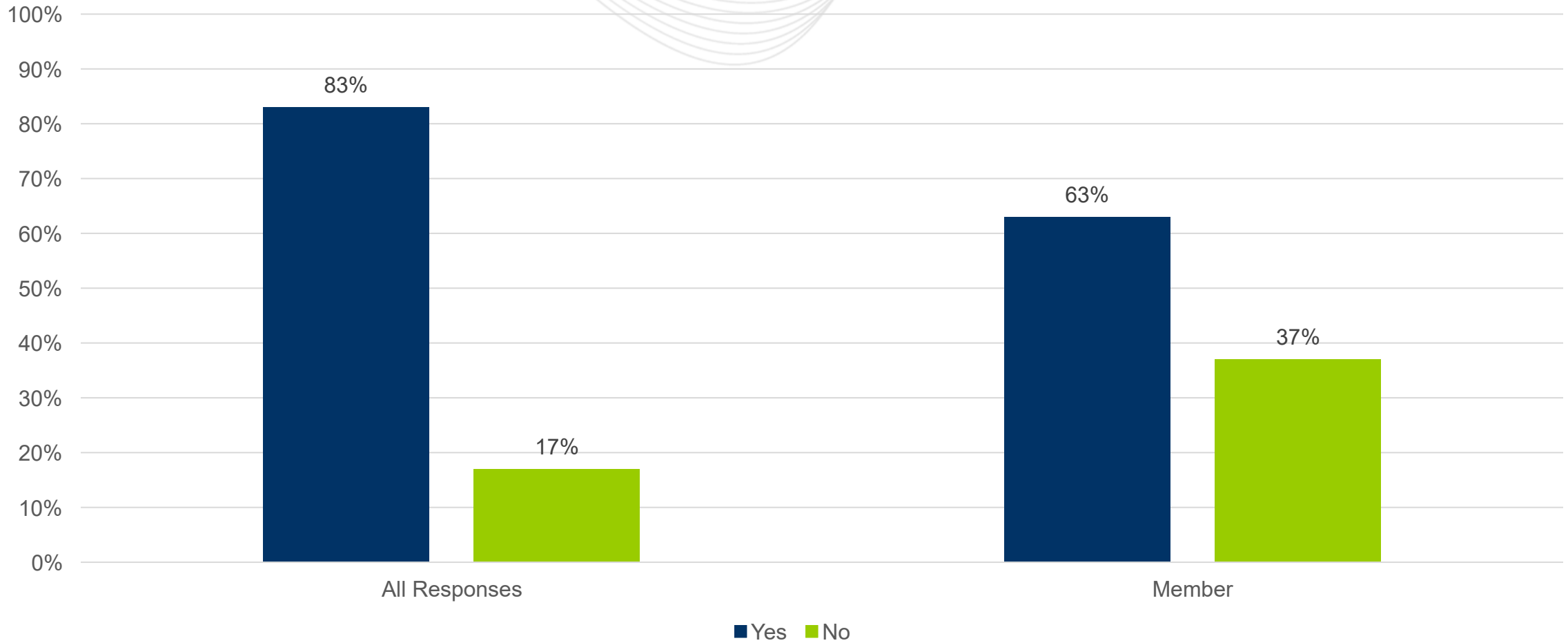
Do you believe it is important to implement a reactive power performance analysis with incentives and penalties?



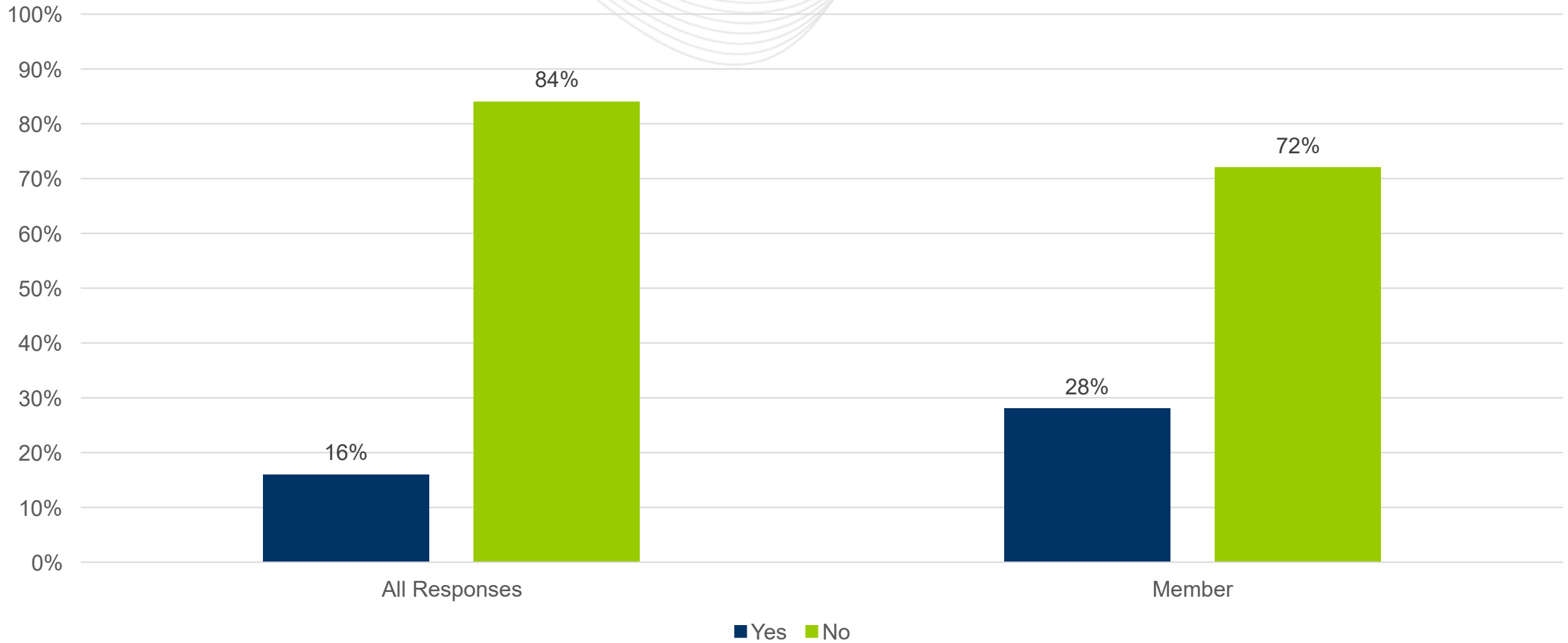
Comments:

- Performance incentives and penalties are important market components.
- PJM has not demonstrated that persistent underperformance is a problem that needs to be solved
- Any penalty or performance should be limited, e.g. the MISO Three Strike rule
- Capability should be based on nameplate capability based on the power factor rating at the generation terminal.

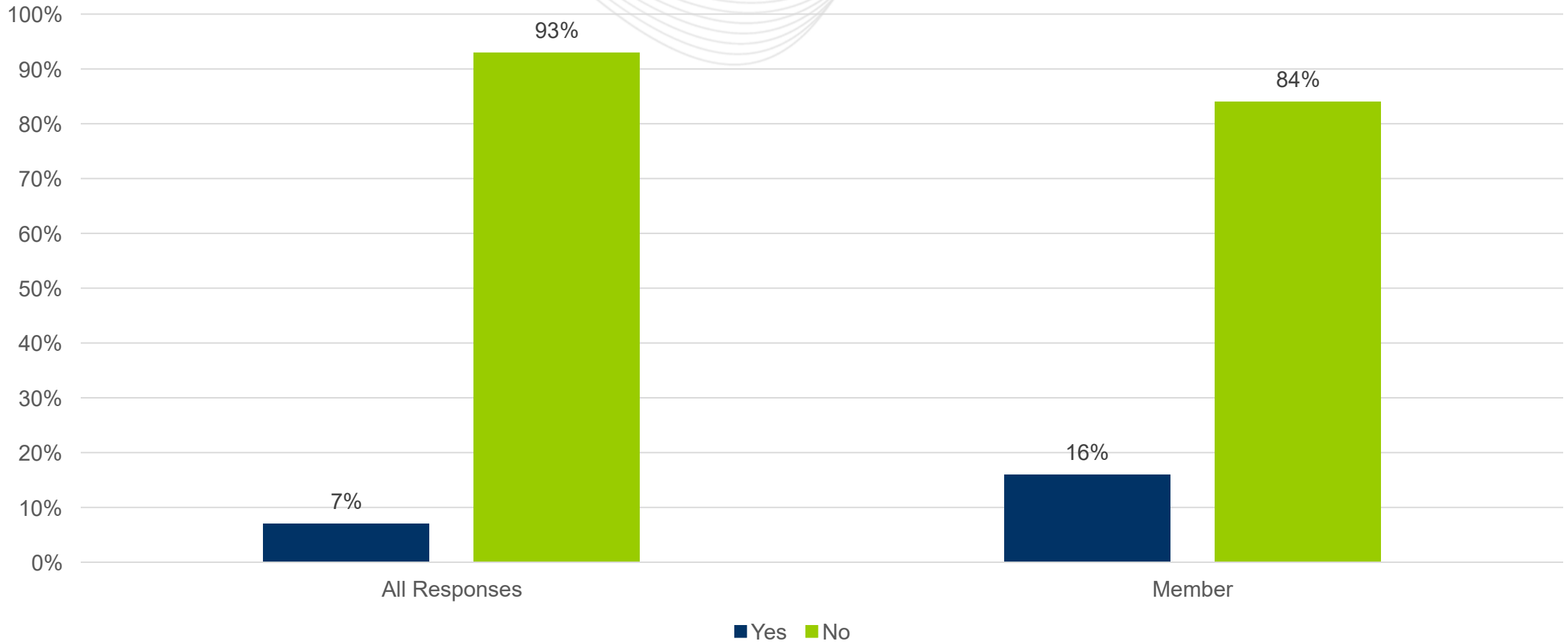
Can you support Package B (CEC)?



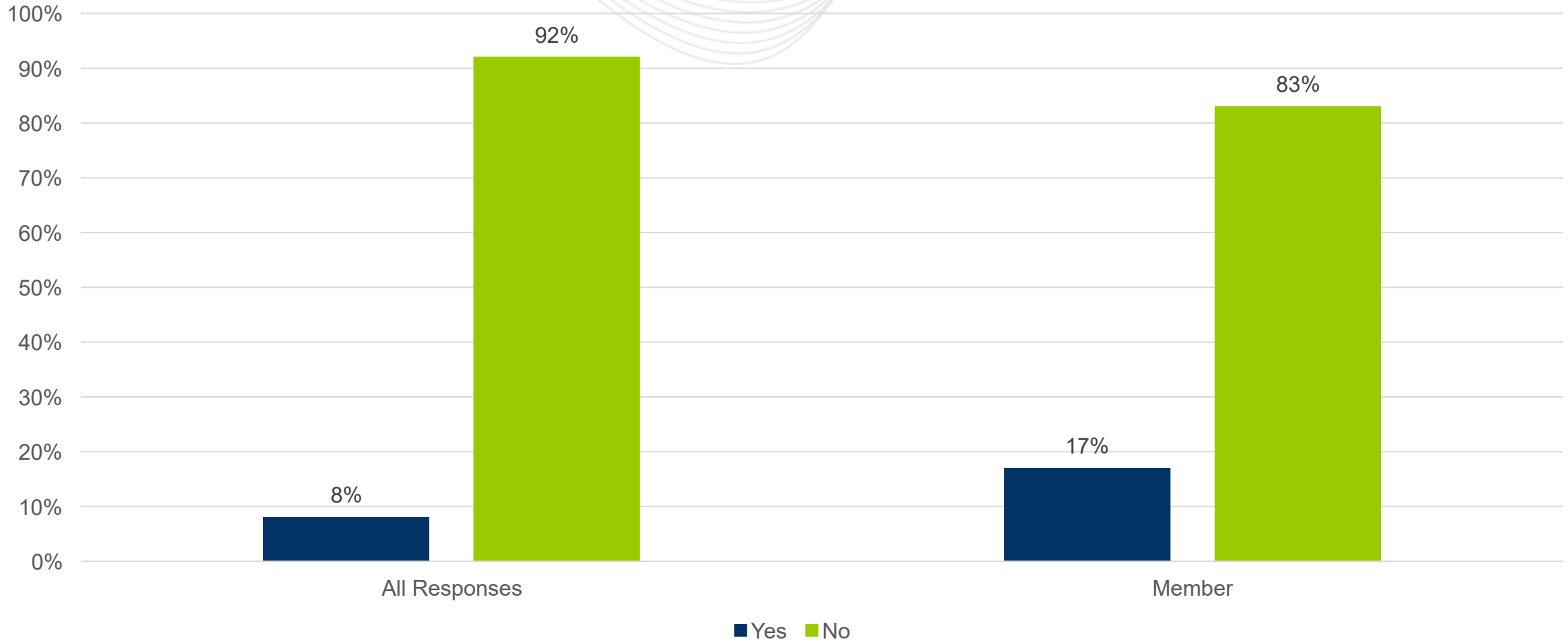
Can you support Package E (PJM)?



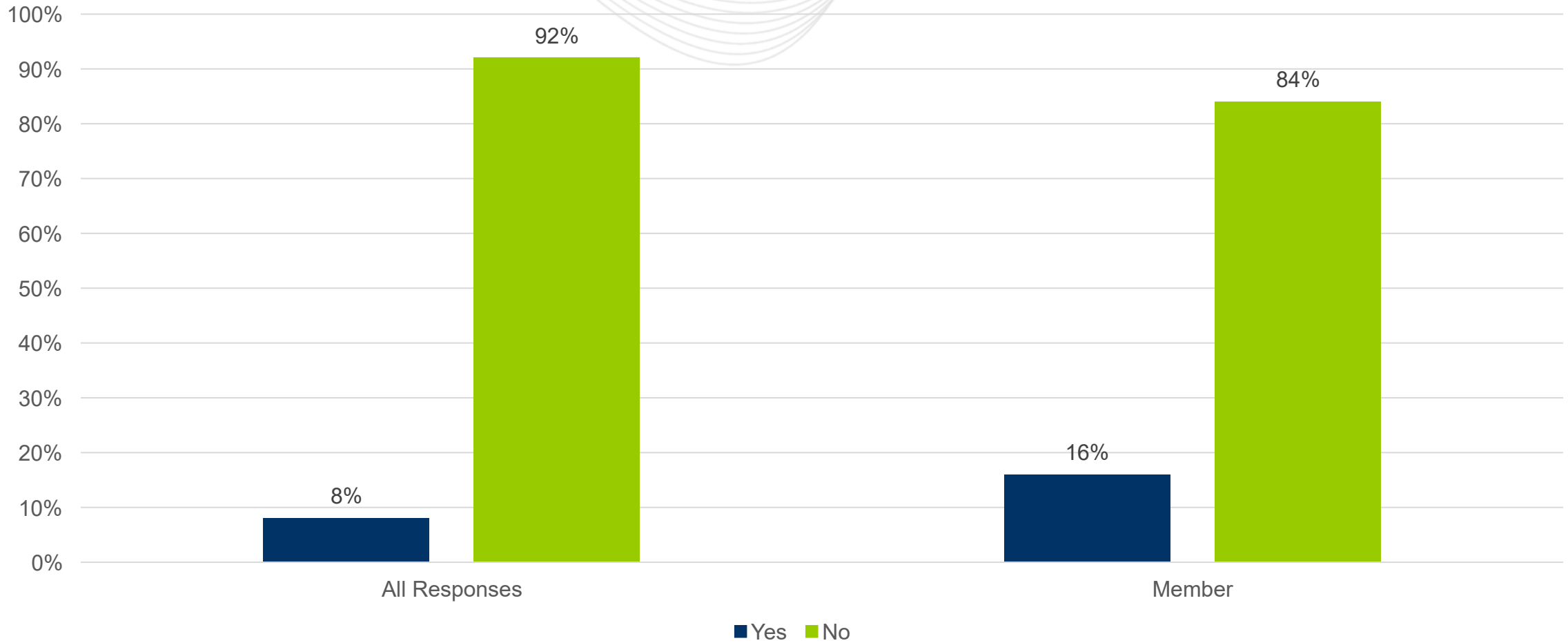
Can you support Package F (IMM)?



Can you support Package G (PJM)?

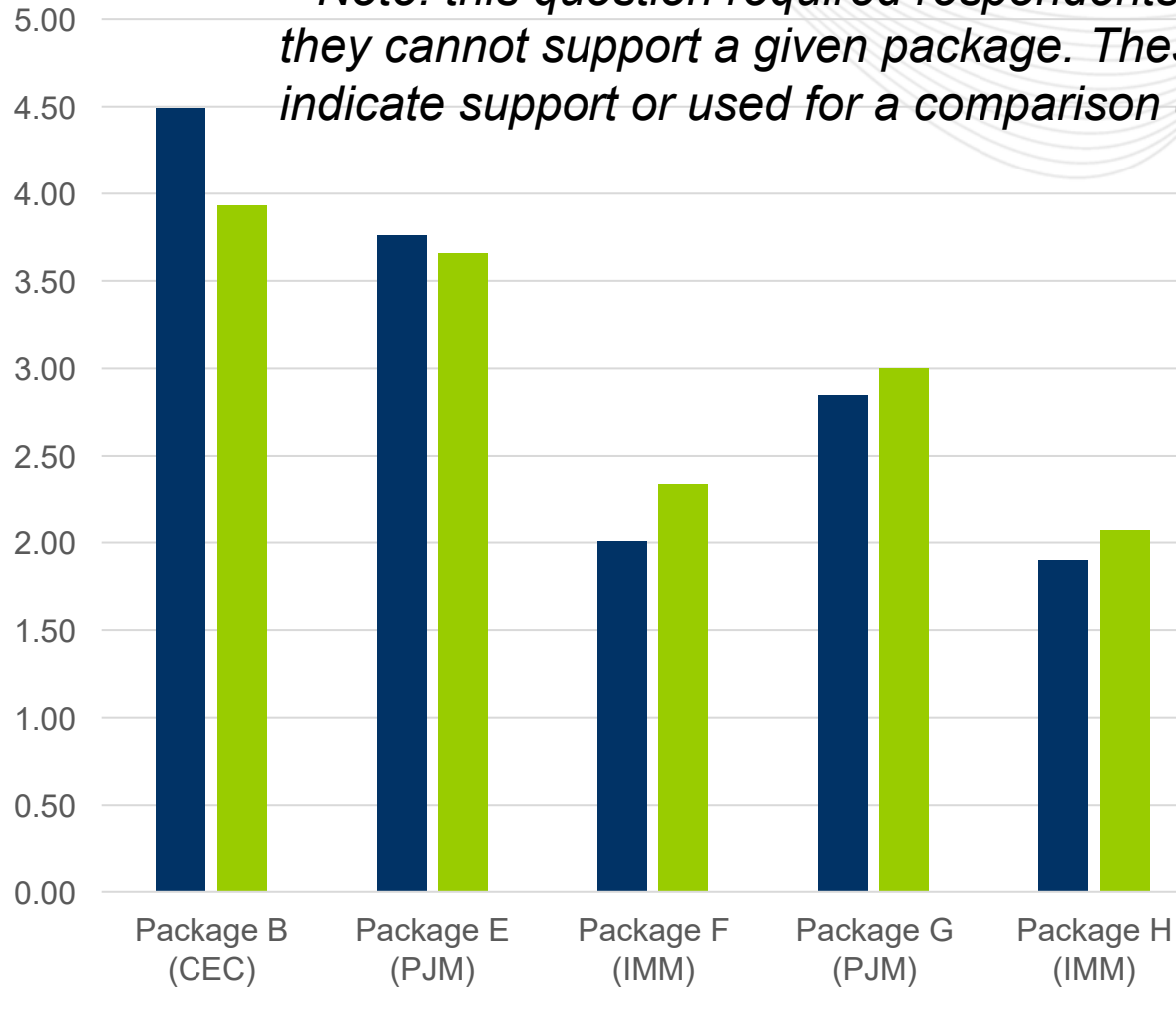


Can you support Package H (IMM)?



Stakeholders ranked packages in order of their support.

****Note: this question required respondents to rank ALL packages even if they cannot support a given package. These results should not be used to indicate support or used for a comparison of support to the packages.**



	Wtd. Avg. (Member)	Wtd. Avg. (Non-Member)
Package B (CEC)	3.93	5.00
Package E (PJM)	3.66	3.85
Package F (IMM)	2.34	1.70
Package G (PJM)	3.00	2.71
Package H (IMM)	2.07	1.74

Comments:

- All packages were ranked, but that does not indicate support for all packages.