

Primary Frequency Response (PFR) Senior Task Force

<u>Mission</u>

The Markets and Reliability Committee (MRC) approved the creation of the Primary Frequency Response Senior Task Force (PFRSTF) on May 25, 2017 to evaluate primary frequency response within PJM, evaluate if additional language is needed to PJM Operating Agreement, Tariff and Manuals for requirement of frequency response capabilities and discuss any potential compensation mechanisms associated with providing primary frequency response capability.

Issue Charge

Issue Source

PJM has identified this issue through review of current generator frequency response, NERC requirement BAL-003, NERC Advisory on Generator Governor Frequency Response and FERC NOPR on Primary Frequency Response.

Group Objectives

Key work activities could include but are not limited to:

- 1. Education on frequency response and its impact on system reliability.
- 2. Evaluation of existing state of frequency response, both on a BAL-003 basis and an event-by-event basis.
- 3. Evaluation of PJM Operating Agreement, Tariff and Manuals to determine if additional language is needed for requirement of frequency response capabilities, for existing and future PJM resources.
- 4. Discussions on eligibility, measurement, and verification requirements. Recommend changes if appropriate or necessary.
- 5. Discussions on potential compensation mechanisms associated with providing primary frequency response capability. Recommend compensation changes if appropriate or necessary.

Expected Deliverables

Updates to PJM Operating Agreement, Tariff and Manuals as required

Expected Duration of Work

The work is expected to take approximately 6-9 months.

Administrative

- 1. The group will report to the Markets and Reliability Committee.
- 2. The group will be facilitated by:

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- a. Glen Boyle, Facilitator
- b. Michelle Souder, Secretary
- 2. All PJM Stakeholders may appoint representatives to the task force.
- 3. The group will conduct its activities in accordance with the protocols found in the PJM Stakeholder Process Manual (M-34).
- 4. The group will accomplish the scope of work identified above and only the work above. Approval from the parent Standing Committee will be sought before engaging in any activity outside this scope. Specifically, the following items are out of scope:
 - Regulation Market changes. This item has already been addressed through the stakeholder process and shall not be revisited.
 - Changes to PJM's Real Time Dispatch and commitment process and procedures, not <u>directly related to primary frequency response</u>, that are required to the ensure system reliability.
 - PJM and stakeholders will not discuss any <u>specific</u> asset information or any data that might be deemed market sensitive.
- 5. The group will periodically report progress on its chartered scope of work to the MRC (its parent Standing Committee) and the Operating Committee.
- 6. The group will review any recommended compensation changes with the Markets Implementation Committee (MIC) prior to presentation to the MRC.
- 7. This group will be using Tier 1 decision making method as described in the PJM Stakeholder Process Manual (M-34).
- 8. Membership in the group is open and will be identified by volunteerism. Group members are not required to sign a confidentiality agreement or non-disclosure agreement.
- 9. Meeting minutes (notes) and all meeting materials will be published on the PJM web site.

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