

Action item from 2/26/2014 Energy Storage Participation in RPM meeting:

What is a Capacity Resource?

Source:

<https://www.pjm.com/~media/documents/agreements/raa.ashx>

Article 1 – Definitions (Page 6):

1.8 Capacity Resources

Capacity Resources shall mean megawatts of (i) net capacity from existing or Planned Generation Capacity Resources meeting the requirements of Schedules 9 and 10 that are or will be owned by or contracted to a Party and that are or will be committed to satisfy that Party's obligations under this Agreement, or to satisfy the reliability requirements of the PJM Region, for a Delivery Year; (ii) net capacity from existing or Planned Generation Capacity Resources within the PJM Region not owned or contracted for by a Party which are accredited to the PJM Region pursuant to the procedures set forth in Schedules 9 and 10; and (iii) load reduction capability provided by Demand Resources or Energy Efficiency Resources that are accredited to the PJM Region pursuant to the procedures set forth in Schedule 6.

Schedule 9 (Page 218):

SCHEDULE 9

PROCEDURES FOR ESTABLISHING THE CAPABILITY OF GENERATION CAPACITY RESOURCES

- A. Such rules and procedures as may be required to determine and demonstrate the capability of Generation Capacity Resources for the purposes of meeting a Load Serving Entity's obligations under the Agreement shall be developed by the Office of Interconnection and maintained in the PJM Manuals.
- B. The rules and procedures for determining and demonstrating the capability of generating units to serve load in the PJM Region shall be consistent with achieving uniformity for planning, operating, accounting and reporting purposes.
- C. The rules and procedures shall recognize the difference in types of generating units and the relative ability of units to maintain output at stated capability over a specified period of time. Factors affecting such ability include, but are not limited to, fuel availability, stream flow for hydro units, reservoir storage for hydro and pumped storage units, mechanical limitations, and system operating policies.

SCHEDULE 10

PROCEDURES FOR ESTABLISHING DELIVERABILITY OF GENERATION CAPACITY RESOURCES

Generation Capacity Resources must be deliverable, consistent with a loss of load expectation as specified by the Reliability Principles and Standards, to the total system load, including portion(s) of the system in the PJM Region that may have a capacity deficiency at any time. Deliverability shall be demonstrated by either obtaining or providing for Network Transmission Service or Firm Point-To-Point Transmission Service within the PJM Region such that each Generation Capacity Resource is either a Network Resource or a Point of Receipt, respectively. In addition, for Generation Capacity Resources located outside the metered boundaries of the PJM Region that are used to meet an Unforced Capacity Obligation, the capacity and energy of such Generation Capacity Resources must be delivered to the metered boundaries of the PJM Region through firm transmission service.

Certification of deliverability means that the physical capability of the transmission network has been tested by the Office of the Interconnection and found to provide that service consistent with the assessment of available transfer capability as set forth in the PJM Tariff and, for Generation Resources owned or contracted for by a Load Serving Entity, that the Load Serving Entity has obtained or provided for Network Transmission Service or Firm Point-to-Point Transmission Service to have capacity delivered on a firm basis under specified terms and conditions.