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Overview of Order Directing Reports on Hybrid Resources (AD20-9-000)

Thomas DeVita & Andrew Levitt
DIRS
February 3, 2021

July 23, 2020

**FERC Staff Technical Conference on Technical/Market Issues
Related to Hybrids**



August 10, 2020

**Invitation for Post-Technical Conference Comments/Reply
Comments**



January 19, 2021

Order Directing Reports

- No specific reforms directed (i.e. no invocation of FPA 206).
- The short order directs PJM to submit a report regarding four hybrid resource areas:
 1. terminology;
 2. interconnection;
 3. market participation; and
 4. capacity valuation.
- PJM must submit its report, within 180 days, providing:
 1. a description of its current practices related to each of these four issues;
 2. an update on the status of any ongoing efforts to develop reforms related to each of the four issues; and
 3. responses to the specific requests for information contained within the order.

*Note that 180 days from January 19, 2021 is a Sunday, **so PJM's report will be due Monday, July 19, 2021.**

FERC notes that it “will use the reports and comments to determine whether further action is appropriate.” (P 1)

“Regarding terminology related to hybrid resources, we direct each RTO/ISO to explain whether it has a definition of hybrid resources in its tariff or in a business practice manual and, if so, to provide the definition and citation in its response. If an RTO/ISO does not have a definition of a hybrid resource in its tariff or a business practice manual, we direct the RTO/ISO to explain whether there are hybrid resources in its interconnection queue, and if so, how the RTO/ISO categorizes such resources, e.g., collocated or integrated hybrid resources. Similarly, if the RTO/ISO does not have a definition, but there are hybrid resources, as described above, participating in the RTO/ISO markets, the RTO/ISO should explain how they have been participating to date—for instance, as a generator or as part of an energy storage participation model. If an RTO/ISO has previously provided such information to the Commission, we direct the RTO/ISO to confirm the information that remains relevant and describe any updates that have occurred.” (P 5)

“We direct each RTO/ISO to provide additional information regarding the interconnection process for hybrid resources. Specifically, the RTO/ISO should describe the interconnection process for both a hybrid resource newly entering the interconnection queue and a resource adding a storage component to an existing interconnection request. The description should include details of interconnection request requirements that are specific to hybrid resources (such as parameters necessary for transmission providers to adequately model hybrid resources), how the RTO/ISO models these types of resources both for reliability and market participation, and how an RTO/ISO would treat a request for the addition of storage to an existing interconnection request. The RTO/ISO should also describe any changes to the tariff or business practice manual that would directly affect the interconnection of hybrid resources and that the RTO/ISO is planning or are being discussed in the stakeholder process. If an RTO/ISO has previously provided such information to the Commission, we direct that the RTO/ISO confirm the information that remains relevant and describe any updates that have occurred.” (P 9)

“We direct each RTO/ISO to describe how hybrid resources are currently participating in its wholesale energy, ancillary services, and capacity markets. This should include the services that hybrid resources are eligible to provide and how modeling and bidding is accomplished for such resources. Where the RTO/ISO has modeling and bidding provisions unique to hybrid resources, it should enumerate such provisions. If no specific provisions exist, the RTO/ISO should provide an explanation of whether and how hybrid resources have participated in its markets to date. If hybrid resources are not able to provide certain services, the RTO/ISO should provide an explanation of why they are not able to provide such services. In addition, we direct each RTO/ISO to describe any changes to its tariff or business practice manuals that relate to the market participation of hybrid resources and that the RTO/ISO is planning or that are currently being discussed in the stakeholder process. If RTOs/ISOs have submitted such information to the Commission previously, we direct that each RTO/ISO confirm the information that remains relevant and include any updates that have occurred.” (P 12)

“We direct each RTO/ISO to explain how the capacity value of hybrid resources is currently determined in its markets. We direct each RTO/ISO to describe the method used and any changes to how it calculates capacity values for hybrid resources it is planning or that are currently being discussed in its stakeholder process. If an RTO/ISO has previously provided such information to the Commission, we direct that the RTO/ISO confirm the information that remains relevant and include any updates that have occurred.” (P 18)

Thomas DeVita;
Thomas.DeVita@pjm.com

Andrew Levitt;
Andrew.Levitt@pjm.com

Please send feedback to the above contacts.



Member Hotline

(610) 666 – 8980

(866) 400 – 8980

custsvc@pjm.com