



## Capacity Capability Senior Task Force Monthly Progress Report

MC Webinar  
July 20, 2020

The [Capacity Capability](#) Senior Task Force (CCSTF) was founded to consider and develop the provisions necessary to establish an Effective Load Carrying Capability (ELCC) method for calculating the capability of limited duration resources and intermittent resources. These include energy storage resources, wind, solar, hydroelectric power with and without storage reservoirs, and other renewable resources.

The Key Work Activities and Scope defined in the approved Issue Charge are as follows:

1. Brief review of existing education on ELCC provided recently at the Planning Committee and the MIC Special Session on Capacity Market Capability of energy storage resources. As needed, additional education on ELCC.
2. Education on the status quo for retaining, increasing, and transferring capacity interconnection rights.
3. Education on the interaction of resource capability, the Installed Reserve Margin study, and other features of resource adequacy planning and the capacity market.
4. Consider the general provisions necessary to establish the ELCC method for determining the capability of all intermittent and limited duration resources.
5. Consider the provisions necessary to establish the ELCC method for determining the capability of wind, solar, and energy storage resources (including batteries and pumped hydro).
6. PJM to present an analysis of the impact of large-scale limited duration resource and Intermittent Resource deployment on the other aspects of resource adequacy apart from capability rules, assuming an ELCC framework. This analysis would include, among other things, the reliability requirement and forecast pool requirement, and any impacts due to shifts in the daily hours of peak risk relative to today.
7. Consider the provisions necessary to establish an ELCC method for determining the capability of all other intermittent resources and limited duration resources, including, among other things, hybrids and resources for which part of the capacity is limited duration and part is unlimited.
8. Discuss other rules or rule changes that may be necessary for participation of limited duration resources in the energy and ancillary services markets and either develop such rules in this Senior Task Force or such other group as the stakeholders may determine is appropriate at that time.

### Issue Status

CCSTF is currently working on developing solution options for Phase I. At the June 22 meeting, the CCSTF will continue developing and begin to narrow solution options, as well as review draft poll questions. The CCSTF plans to release a non-binding poll some time after the June 22 meeting on a subset of design components.

### Target Completion

Phase I is scheduled to wrap up on August 7 in order to go to the parent committee for endorsement in September. This is to meet the FERC deadline of a filing on ELCC by October 30.



Phase II will begin sometime after Phase I is completed and does not have a specified end time.

### **Progress Update**

The first meeting of the CCSTF was held on April 7, 2020. The approved Issue Charge was presented along with the proposed Work Plan. Initial education was provided, covering Key Work Activities (KWA) 1 & 2.

At the April 27, 2020 meeting, education was provided to complete KWA 3. The CCSTF also began interest identification and development of design components.

At the May 20, 2020 meeting, the CCSTF developed design components and began identifying solution options.

At the June 4, 2020 meeting, the CCSTF continued developing solution options and introduced a few new design components.

At the June 22, 2020 meeting, the CCSTF continued developing solution options. Two proposals were also brought forward for stakeholder consideration: PJM's Package A and AEP Energy's Package B.

The CCSTF held a work shop on June 25, 2020, where common terminology was discussed in greater detail. PJM also walked through a numerical example of the PJM Proposal. A non-binding poll was released after the work shop, which focused on solution options for Design Components 1, 2a, & 3.

At the July 10, 2020 meeting, PJM presented the preliminary ELCC results and provided additional details on the methodology used to develop the results for limited duration and combination resources with a focus on the dispatch assumptions. Natural Resources Defense Council (NRDC) provided a presentation on the capacity value of storage resources for PJM & stakeholder consideration. During the CBIR portion of the meeting, PJM reviewed the results of the non-binding poll before soliciting additional solution options; one new solution option was identified. The meeting wrapped up with the review of a new proposal was brought forward by the IMM (Package C).

The July 16, 2020 half-day work shop was converted into a full-day meeting. Three agenda items, which were deferred from the July 10 meeting will be reviewed prior to starting CBIR.

### **Action Requested**

The CCSTF is requesting that stakeholders bring forward any additional proposals at the July 27 meeting. The task force will be voting on packages after the August 7 meeting.