

# Request PJM to Provide Transparency – ELCC Methodology

## Provide complete transparency into ELCC Methodology and Model

- Assumptions and drivers of the computation of preliminary ELCC Class Ratings
- Level of deployment of each resource class MWs by year
  - Include MWs in interconnection queue and the percent of MWs expected to reach commercial operation by year
- Inputs/ Outputs of ELCC Model/ Methodology
  - Load profile showing the high risk/ load shortage events
  - Simulated and Actual performance for each resource class
  - Hourly, Monthly and Annual Summary of Load versus Generation

## Reasons for the Request

- ELCC Methodology has a drastic impact on the Capacity Revenues for Solar Standalone Assets compared with current capacity construct
  - UCAP based on 368-hour rule (Current Construct) versus UCAP based on ELCC Class Rating (ELCC Methodology)
  - Impact on Existing Solar Tracking Asset with 67 MWs UCAP (67% of 100 MWs)
    - **20%** of capacity revenues lost in 2023 (67% versus 54% - see table on right)
    - **54%** of capacity revenues lost in 2028 (67% versus 31% - see table on right)
    - Potentially bigger losses in years beyond 2028
- Little transparency was provided on inputs during the 2020 stakeholder process
  - ELCC Class Rating for Solar Tracking was initially outlined at 65%, which was lowered to 54% for 2023 in February 2021
- PJM should not rely on a confidential data set to develop inputs that have such a significant impact on entire resource classes.
  - Status quo information request process has barriers to entry and does not provide complete transparency

ELCC Preliminary Class Ratings\*

	2023	2028
Onshore Wind	13%	11%
Offshore Wind	27%	21%
Solar Fixed	29%	18%
Solar Tracking	54%	31%
4-hr Storage	79%	79%
8-hr Storage	95%	93%
Solar Hybrid Open Loop – Storage Component	80%	76%
Solar Hybrid Closed Loop – Storage Component	79%	76%
Hydro Intermittent	44%	46%
Landfill Gas	62%	61%

\*Reference: Slide 4 of <http://pjm.com/-/media/committees-groups/committees/pc/2021/20210420-special/20210420-item-03b-how-effective-load-carrying-capability-works.ashx>