

Electric-Gas Coordination in PJM

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November 5, 2021

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PJM Gas Electric Coordination History

- Genesis of Gas Electric Coordination
- Key Milestones

Gas Electric Coordination Team

Areas of Focus

Future Challenges

- Gas fired generation operations in a high renewable resource mix
- Strict regulatory hurdles for gas supply and transportation expansion



PJM Electric Gas Coordination History



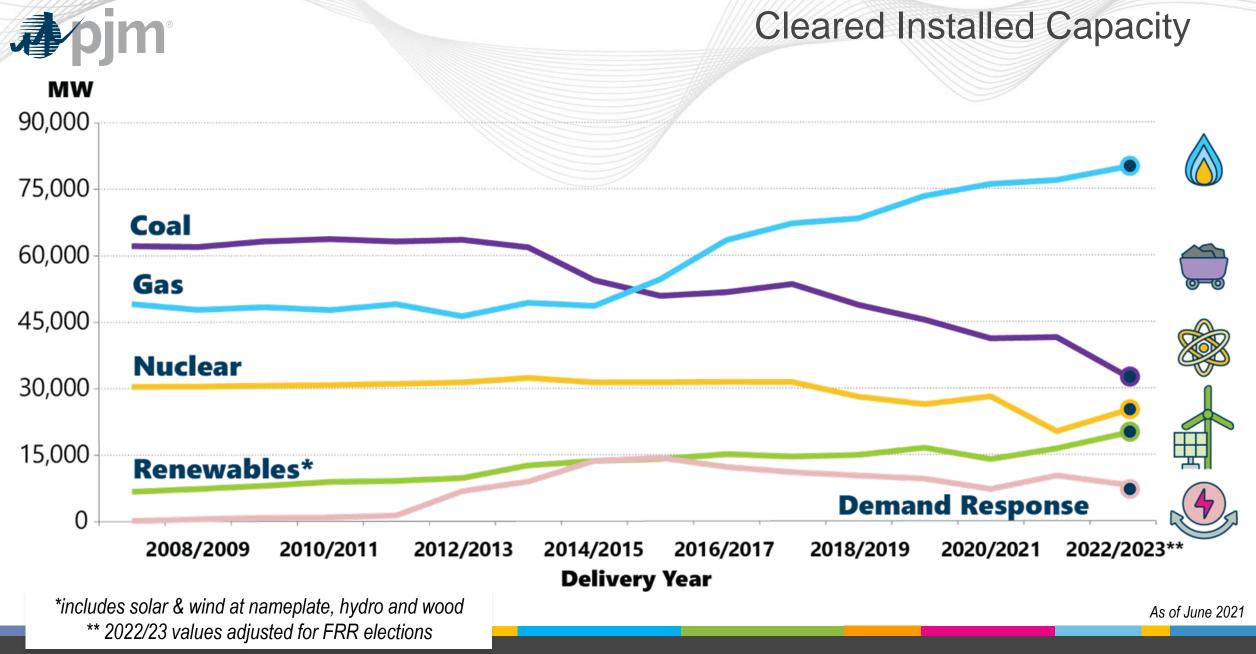
"Polar Vortex" of January 2014





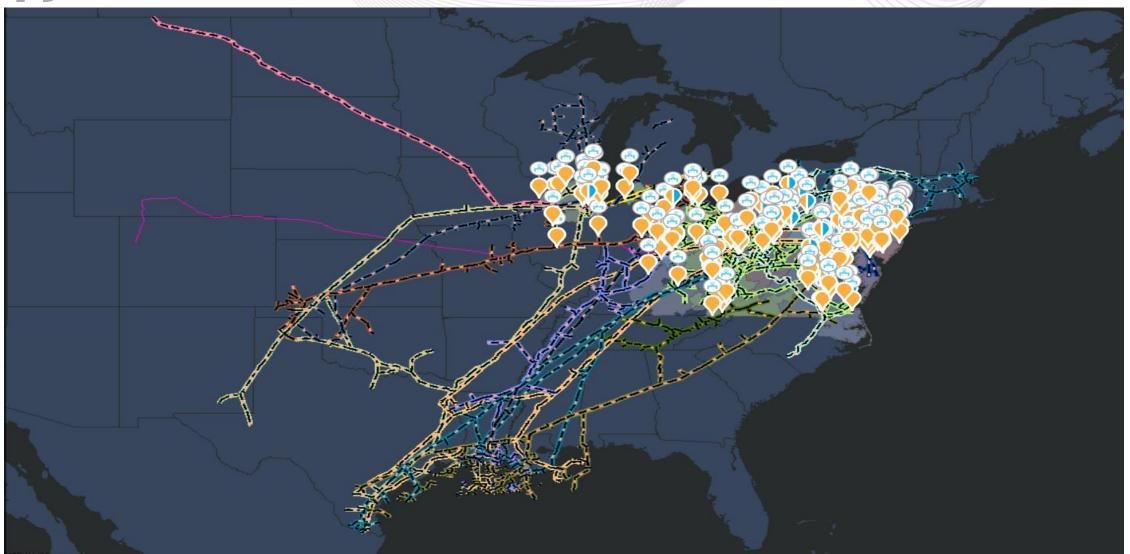
Spring through Fall 2014

- PJM begins to assess the previous winter and investigates the development of guidelines, tools and processes to better understand and analyze the natural gas market and its impact on natural gas-fired generator availability and reliability.
- Stood up Gas-Electric Coordination Team in November 2014





Pipelines and Generators





Quick Gas Generation Statistics

- Approximately 80 GW of installed gas generation
 - 80% served directly by interstate pipelines
 - 19.8% served by local distribution companies
 - 0.2% served via gas gathering systems
- 15 interstate pipelines serving the PJM system
- 32 local distribution companies across the footprint

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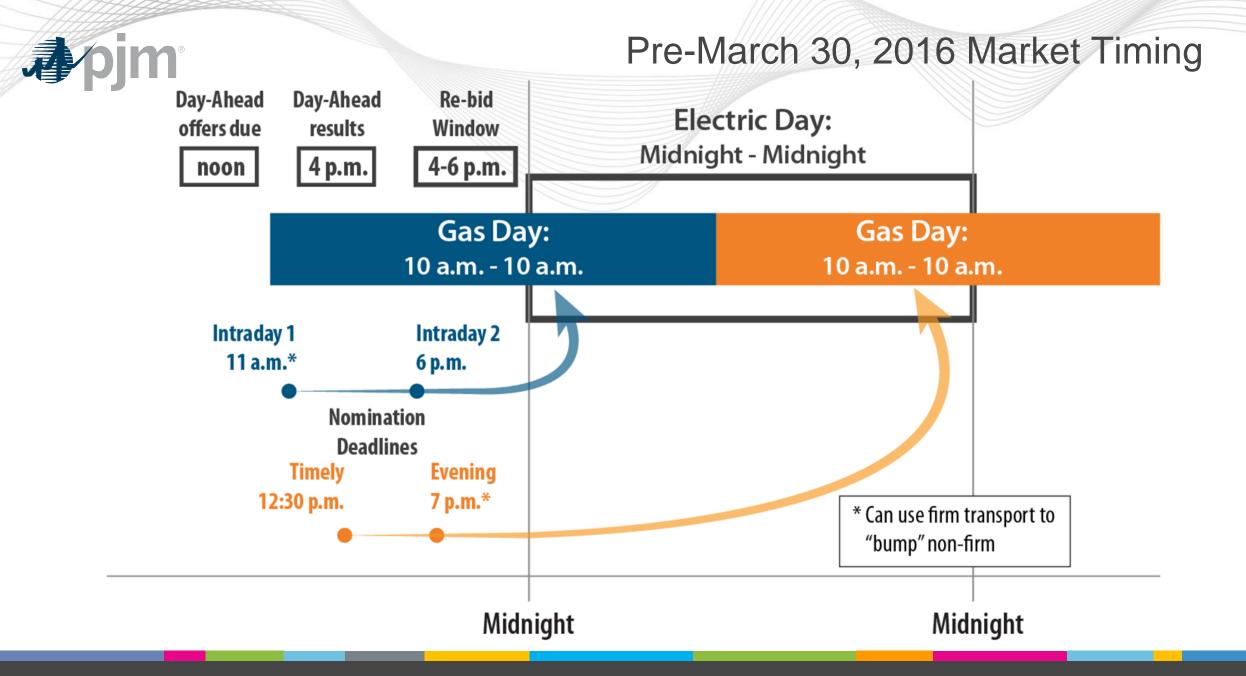
Key Regulatory Drivers

- FERC Order 787 (2013)
 - Allowed voluntary sharing of non-public operating information between interstate pipelines, public utilities and electric transmission operators
 - PJM signed Memorandum of Understanding with nine interstate pipelines to foster communication and coordination
 - PJM entered into Confidentiality Agreements with several interstate pipelines and LDCs to bolster information sharing

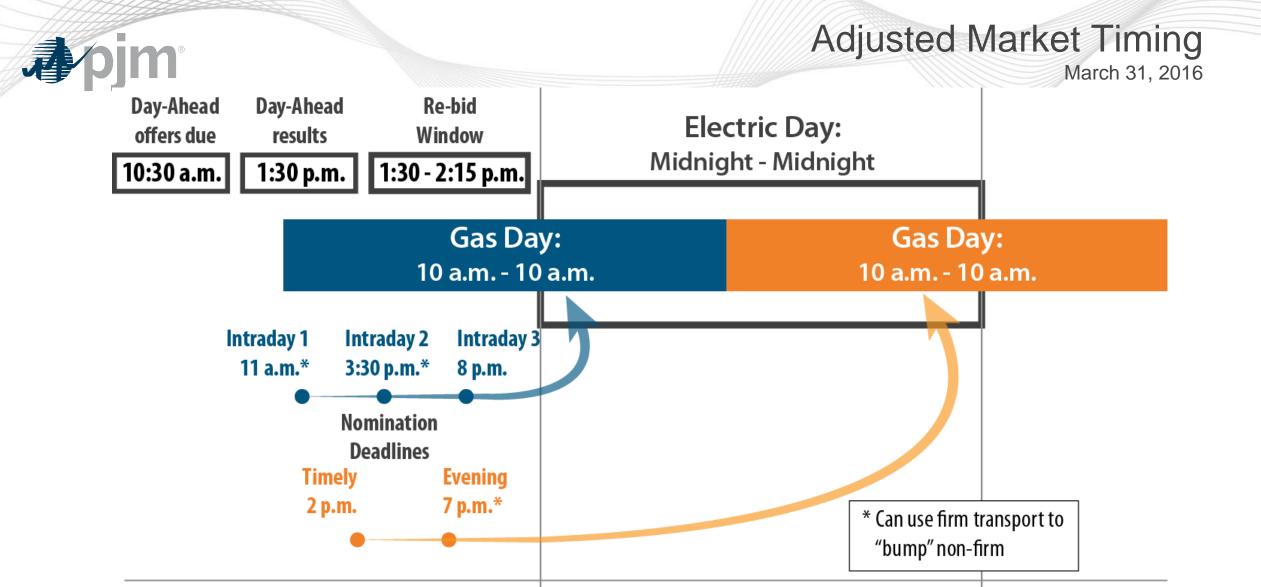


Key Regulatory Drivers

- FERC Order 809 (March 31, 2016)
 - Adjustment of gas nomination cycles to improve gas-electric coordination
 - Timely nomination deadline moved from 12:30 p.m. Eastern time to 2:00 p.m. Eastern time
 - Addition of 3rd intraday nomination cycle
 - PJM also moved the Day Ahead award timing from 4pm Eastern time to 1:30pm Eastern time effective with this change



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Midnight

Midnight



Gas Electric Coordination Team

Gas Electric Coordination Team



Comprised of a matrix of personnel from across Operations and Markets Divisions

4 Primary Team Members

10 Secondary Support Team Members

Focused on real time gas electric operations analysis as well as providing seasonal and longer term gas related analytical support





Gas Electric Coordination Team Focus

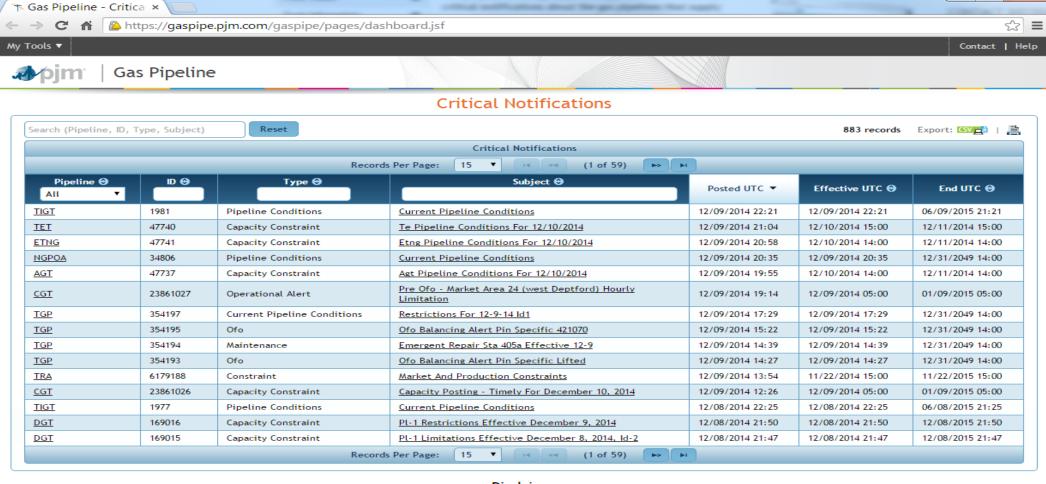
Weekly winter operations calls with interstate pipeline gas operations personnel (Primarily November through March)	
Daily analysis of natural gas scheduled deliveries to generators (Is the gas nomination sufficient to meet electric obligation?)	
Daily assessment of pipeline operating conditions (OFO's, Critical Days, Ratable Take Requirements, Force Majeure)	
Daily report(s) to PJM Dispatch on gas delivery risks which could impact generation and provide overall operational awareness	
Timely assessment and communication of emergent pipeline events to PJM Ops and Markets personnel	
Pre Winter meetings with interstate pipelines and local distribution companies	
Monthly Pipeline outage coordination calls (April through October)	



Annual Generator Fuel Data Request

- Supply and Transportation arrangements
- Dual Fuel Capability
- Multiple pipeline delivery capability



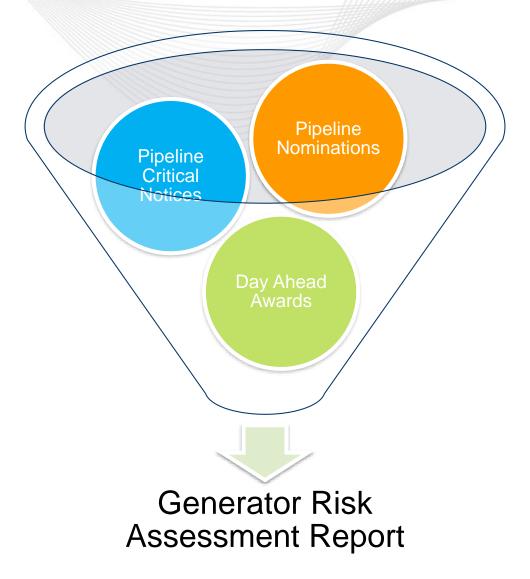


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Gas Generator Risk Assessment Tool Process



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Ongoing Industry Collaboration

IRC Electric Gas Coordination Task Force

- Consists of ISO/RTO reps from US and Canada
- Meets multiple times per year
- Larger Pre Winter meeting with the natural gas industry (INGAA/NGSA/Pipelines)
- Focus is on sharing of best practices and electric gas related initiatives

EIPC Electric Gas Task Force

- Eastern Interconnect Planning region representation
- Inaugurated in late 2019
- Initial focus is on development of consistent criteria for members to follow when studying gas supply disruptions

NERC Electric Gas Working Group

- Kicked off January 2019
- Consists of electric and gas industry reps
- Focus is on the development of a set of guidelines that industry participants can use for effective gas electric coordination practices and when performing gas electric studies

ISO/RTO Operational Calls

- Monthly call to touch base on recent operational experiences focused primarily on natural gas and industry and regulatory requirements
- Informal meeting format



Other Gas Electric Coordination Activity

PJM/Interstate Pipeline/LDC Tabletop Exercises

•Testing operational and communication protocols between PJM, Interstate Pipeline and LDC personnel under various system disruption scenarios

GridEx

•Active participation from several interstate pipelines

NPCC Tabletop Exercise

•Collaborating on New York/New England based exercise simulations

National Labs

•Maintaining working relationships with national labs on ongoing fuel security studies and model development

DOE NTRR Project

•Participating in Technical Review Committee with ongoing Near Term Reliability and Resilience study



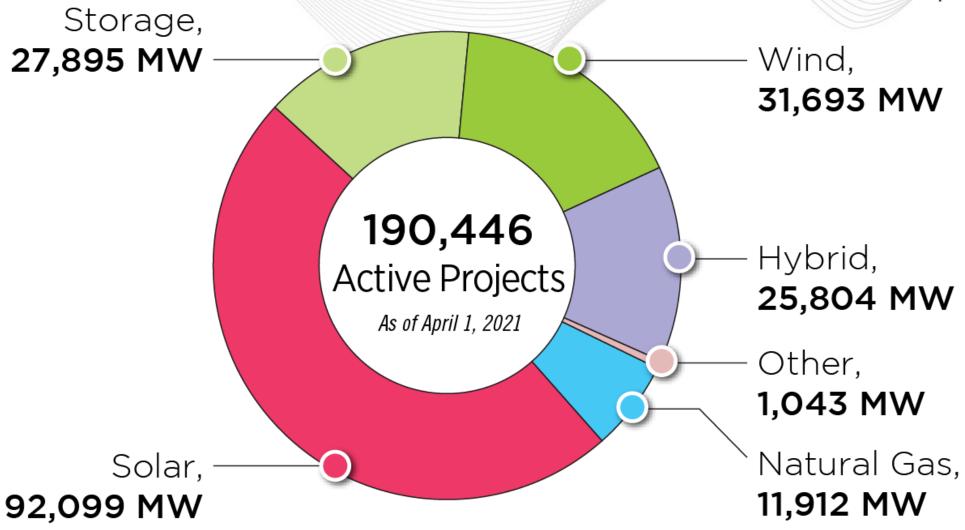
Current and Future Challenges

Current and Future Challenges



Current Interconnection Queue

As of April 1, 2021



Challenges and Opportunities

- Staying ahead of cyber and physical threats
 - Collaboration with federal agencies
 - Exercises and drills between gas and electric industries
- Fuel assurance during a system emergency/restoration event
 - Black start and critical load generation
 - How much gas would be available?
 - Emergency order to raise priority of gas deliveries
 - On-site fuel requirements
 - Ensuring all electrically powered critical gas infrastructure is clearly identified to mitigate any curtailments
- Continuing collaboration with stakeholders and natural gas industry
 - Identification of operational/market solutions to improve reliability



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