



# Delaware Governor's Energy Advisory Council Grid Modernization Working Group

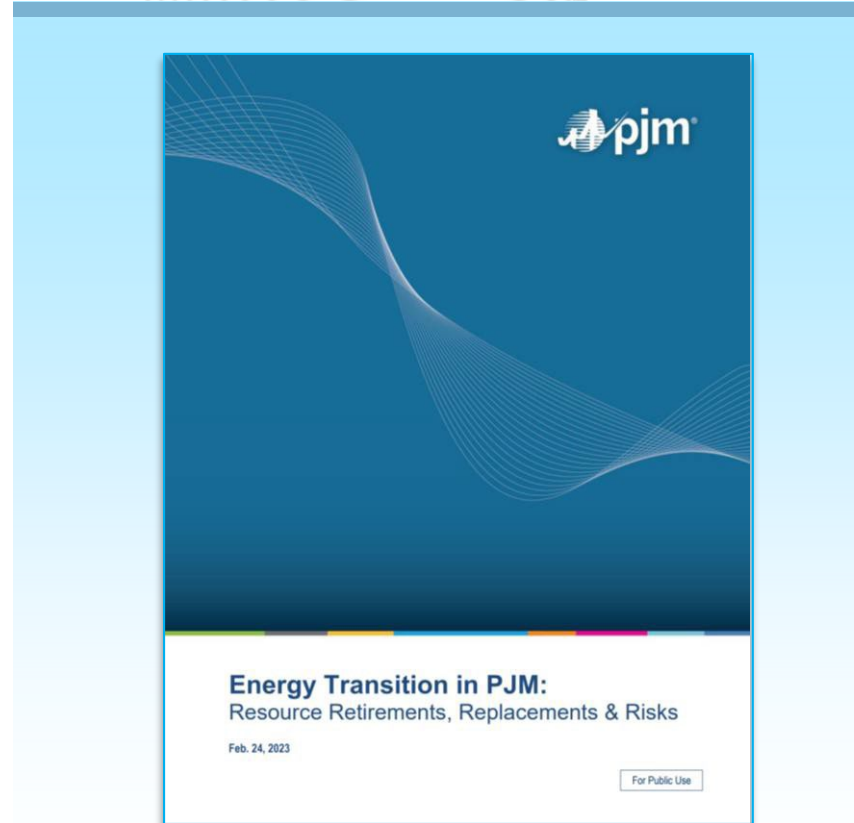
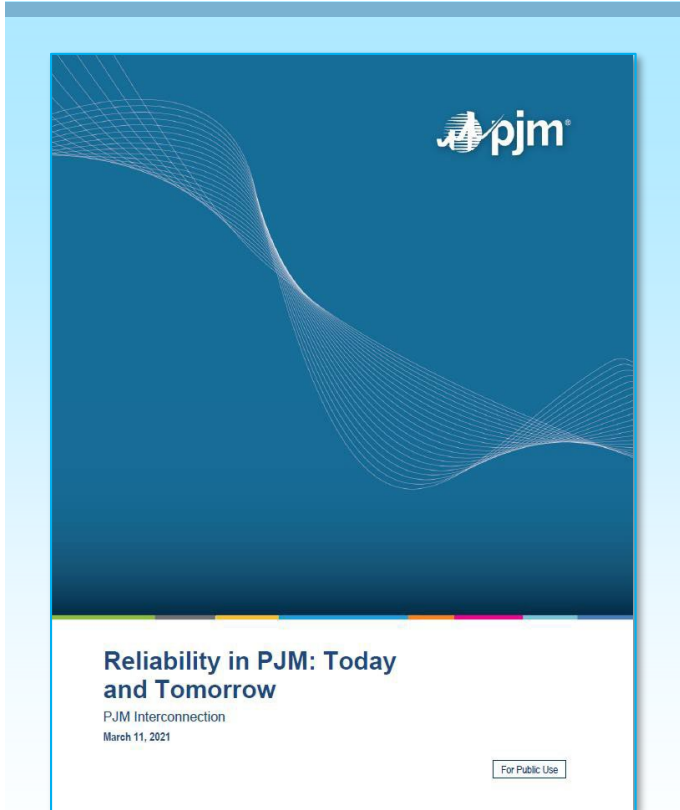
**Tim Burdis**

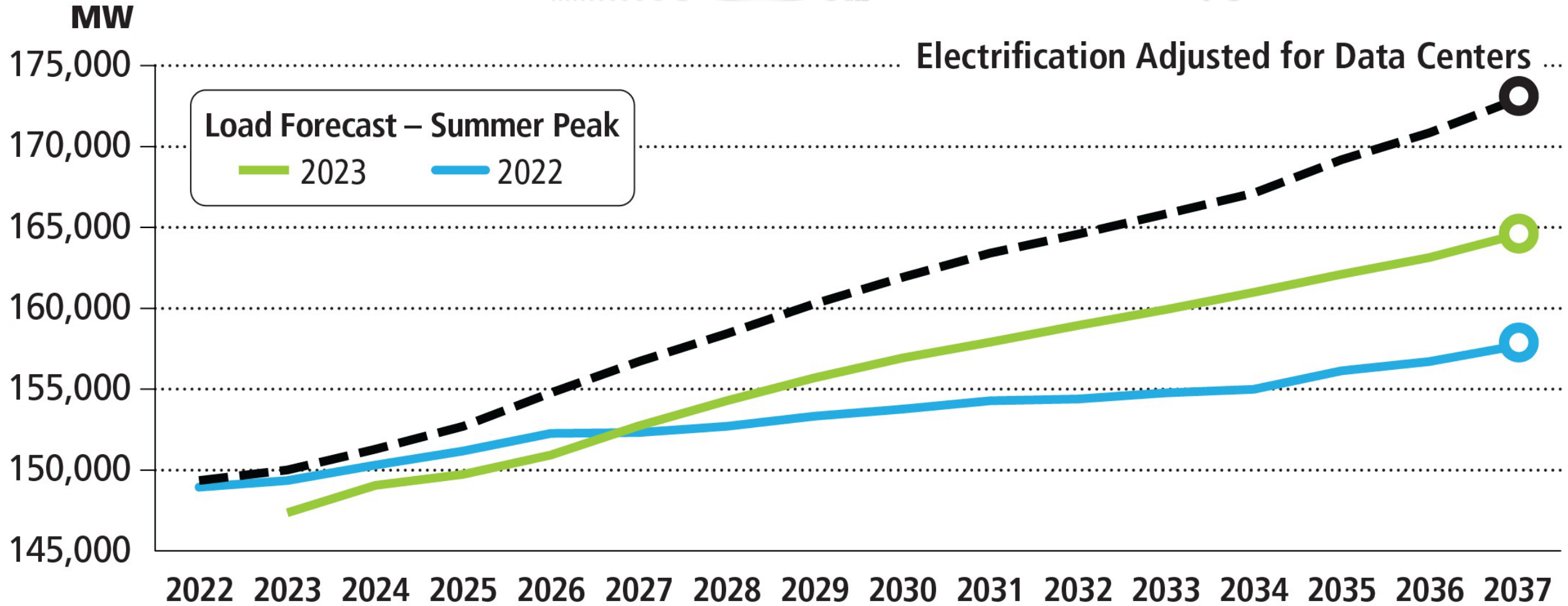
Sr. Manager, State Policy Solutions

Aug. 14, 2023

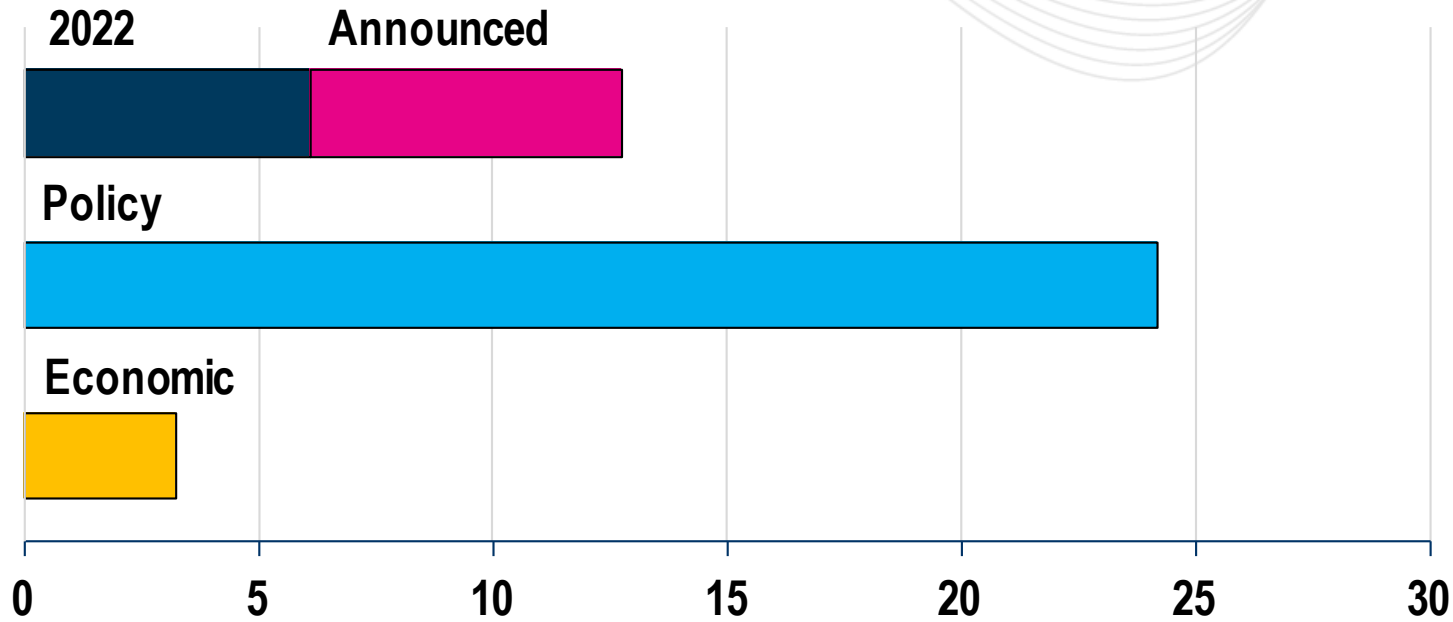
- Continuing Reliability in PJM
- Ensuring Resource Adequacy in PJM
- Promoting New Entry through Interconnection Reform

# Continuing Reliability in PJM

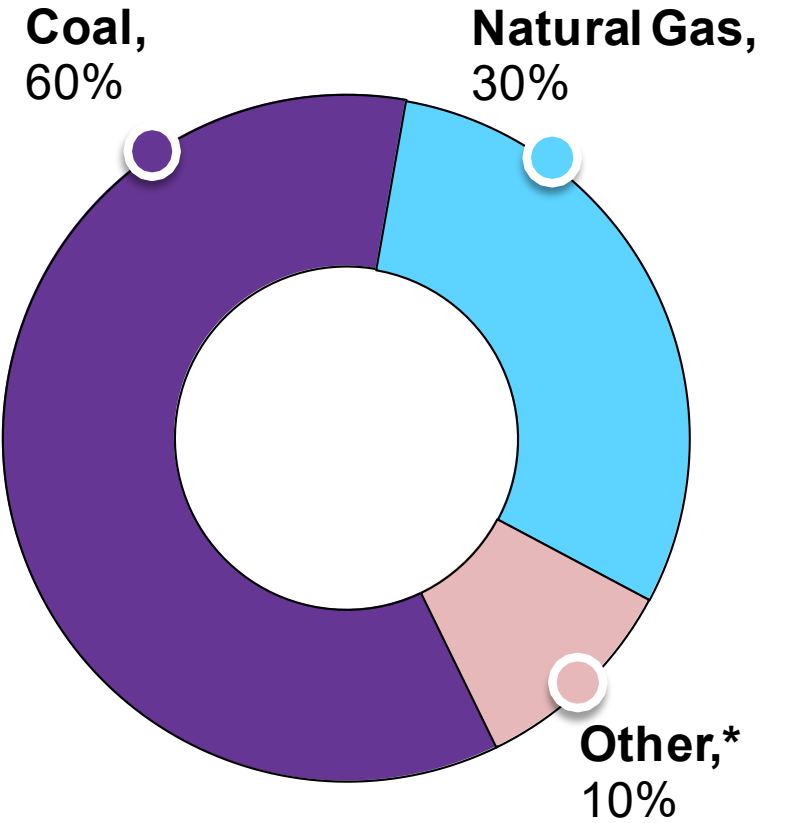




## Total Forecasted Retirement Capacity (GW)



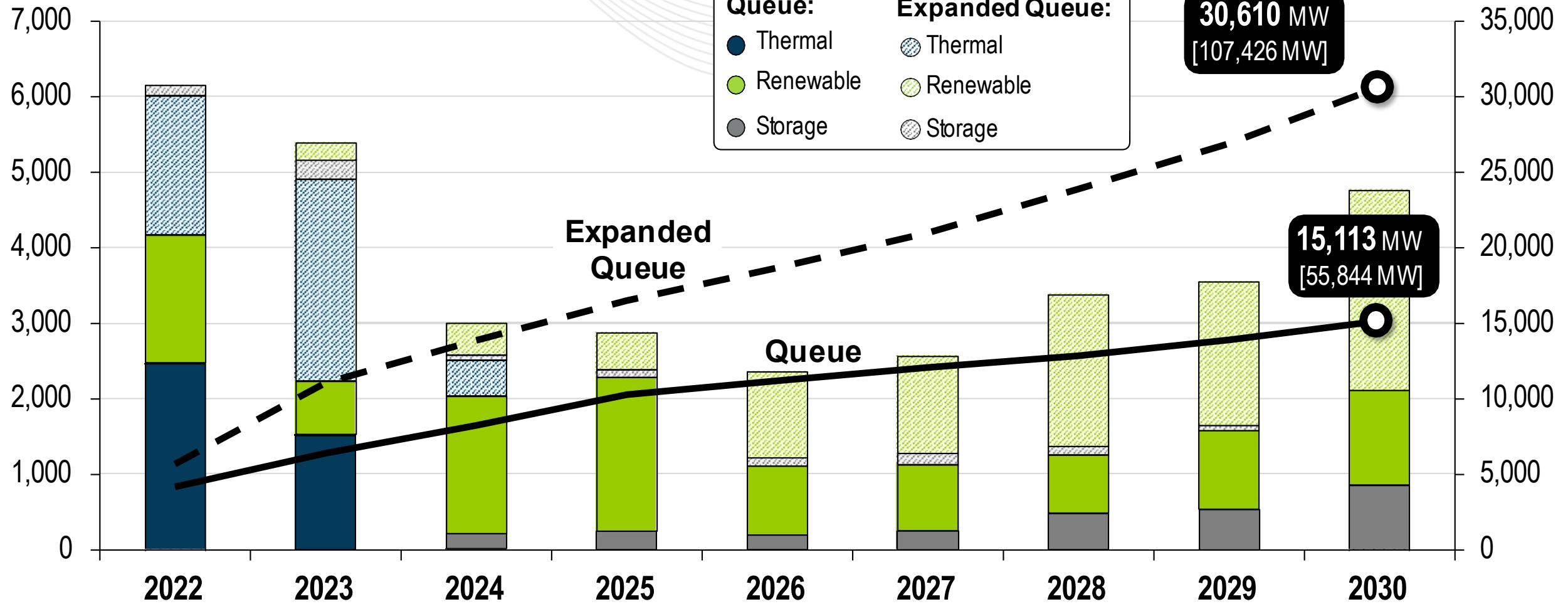
This 40 GW represents  
**21% of PJM's current**  
 192 GW of installed generation



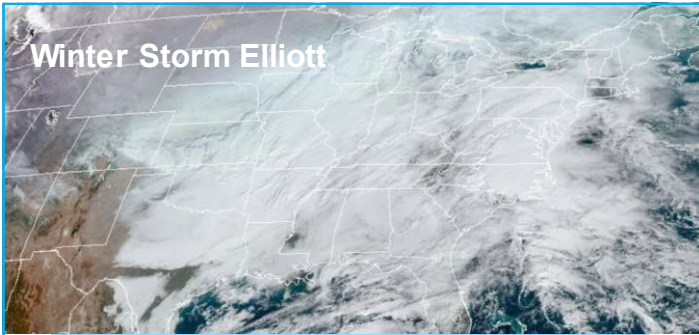
\*Other includes diesel, etc.

# PJM Forecasted New Entry (2022–2030)

Annual Added Capacity (MW)



## RELIABILITY



The PJM fleet has adequate resources and enough essential reliability services, but we need our generators to perform when called upon.

### Energy Transition in PJM: Resource Retirements, Replacements & Risks

Feb. 24, 2023

For Public Use

Generation retirements may outpace new entry with a simultaneous likelihood of load increasing, thereby creating resource adequacy concerns.

### Energy Transition in PJM: Frameworks for Analysis

Dec. 15, 2021

For Public Use

We will continue to need some amount of thermal generation to provide certain essential reliability services until a replacement technology is deployable at scale.



# Ensuring Resource Adequacy in PJM

## Key Elements of PJM's Phased Seasonal Proposal:

1. **Enhance reliability risk modeling** in resource adequacy studies and move to Expected Unserved Energy (EUE) as the primary reliability metric.
2. **Improve capacity accreditation** to reflect resources' contribution during periods of risk by season.
3. Maintain the **capacity performance framework but enhance** the rules and testing requirements.
4. **Align FRR rules** and improve other areas of the market construct, including balanced **market power mitigation** rules.
5. *Implement now or in the future a seasonal (or other beneficial more granular) capacity market design.*

Focus of the market design reforms is on near-term achievable improvements to the market's ability to meet resource adequacy requirements in an efficient, least-cost manner.

# Promoting New Entry through Interconnection Reform

- Transitioned to new process on July 10, 2023
- Will see more than 260,000 MW of renewables studied
- *First come, first served* → *First ready, first served*

