

PJM Winter Operations and Market Performance



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FERC Winter Operations Panel October 19, 2017





- Winter 2017/18 System Projections
- Winter Preparedness
- Gas Electric Coordination
- Resilience Gas Pipeline Initiatives
- Market Performance



Winter 2017/18 System Projections

50/50 Non-diversified Peak Load Base Case		
LAS Load Forecast	135,526 MW	
RTO Net Interchange	3,950 MW** (Importing)	
PJM RTO Installed Capacity	184,926 MW (preliminary as of 8/02/2017)	
Discrete Generator Outages	16,586 MW	

** 3,950 MW of net interchange is modeled in the OATF base case and accounted for in the total RTO installed capacity

PEAK LOAD ANALYSIS

- No reliability issues identified.
- Re-dispatch and switching required to control local thermal or voltage violations in some areas.
- All networked transmission voltage violations were controlled by capacitors. All other voltage violations were caused by radial load.

IN PROGRESS

• Sensitivity Studies - Results expected early October

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PJM Winter Preparations

PJM Studies, Data Requests & Drills

PJM Operating Analysis Task Force (OATF) Winter Operations Study (November 2017)

Resource Winter Testing Exercise (December 2017)

PJM Emergency Procedures Drill (November 7, 2017)

Fuel Inventory Survey (October 13, 2017)

Generation owner Cold Weather Resource Preparedness Checklist (Nov. 1 - Dec. 15, 2017) Reliability Coordinator Winter Preparation Meetings

PJM / DEP / VACAR (November/December, 2017)

SERC Operating Committee / SERC RCS / VACAR (October 3-4, 2017)

Reliability First (September 20, 2017)

Joint NPCC/PJM/MISO (November 9, 2017)

NYISO / PJM (October 24, 2017)

TVA / PJM (November, 2017)

Gas / Electric Coordination

Joint INGAA – Inter-RTO Council Meeting (October 19, 2017)

Daily, Weekly, Monthly, and Seasonal Communications with Pipelines in PJM footprint

Data Sharing Agreements and Communication Protocols with key Local Distribution Companies

Resilience efforts to:

- Operationalize Gas Infrastructure Contingencies
- Develop gas pipeline model in conjunction with Argonne Labs

Increase transparency though enhancements to tools/visualization

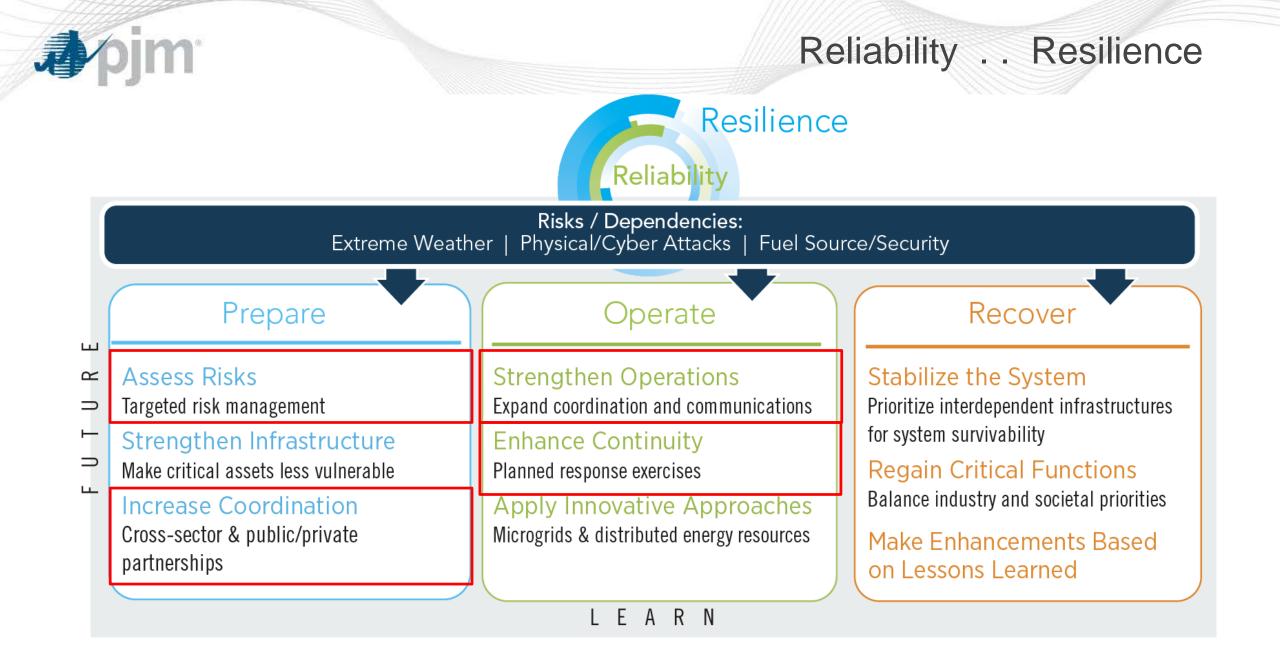


Gas – Electric Coordination

PJM team

- Analyze data related to gas delivery to units
- Provide operational info that allows operators to make better decisions
- Improve coordination with pipelines and LDCs
- Develop tools to support processes

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Resilience - Gas Pipeline Contingencies

Establish Normal & Conservative Operations Triggers

Assess Redundancy

Evaluate Contingency Revise EMS Contingency & 30 Minute Reserve Requirement

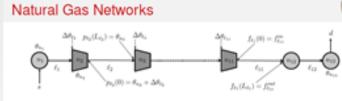




Resilience - Gas Pipeline Modeling

MODEL FRAMEWORK AND PLATFORM

- Model framework based on "node-link" representation:
 - Nodes → compressor stations, receipt/ delivery points, etc.
 - Links → pipeline segments



We can easily model a network of pipelines by defining sets of nodes (junctions) and links (pipelines).

- N: Set of nodes (junctions)
- L: Set of links (pipelines)
- S: Set of gas supply flows
- D: Set of gas demand flows
- L_a ⊆ L: Set of active links (pipelines with compressors)
- L_p ⊆ L: Set of passive links (pipelines without compressors)

Gas networks will be modeled using Argonne's PLASMO (Platform for Scalable Modeling and Optimization)

- Pilot model with Texas Eastern pipeline under development
 - December 2017 target completion
- Run model on pre-identified critical areas on all other pipelines
 - Q2, 2018 target completion
- Continue seeking cooperation from interstate pipelines for model result review/ validation



Resilience - Drill Planning

GAS-ELECTRIC SCENARIO – CYBER EVENT

- Major news organizations reporting delivery problems for multiple natural gas interstate pipelines in the U.S.:
 - Issues with natural gas deliveries to customers.
 - Unconfirmed reports of natural gas being released to the atmosphere via relief valves.
- News report indicate that Texas Eastern Gas Transmission (TETCO) may be affected:
 - Company Informational Posting web site down.
 - Natural gas supply to interruptible electric power plants abruptly halted over multi-state region.
- Source of the disruptions is unknown; unsubstantiated reports indicate disruptions were intentional.

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intentional.

STORM SURGE IMPACTS ON ELECTRIC SECTOR: POWER PLANTS

- NOAA projects that the storm surge from Hurricane Maria could extend into Virginia and North Carolina:
 - Three power plants* projected to be completely inundated.
 - Other power plants may be subject to localized flooding (not determined).

Chesapeake Energy Center Virginia Electric & Power Co.

* Summer capacity > 50 MW

Virginia Electric & Power Co.

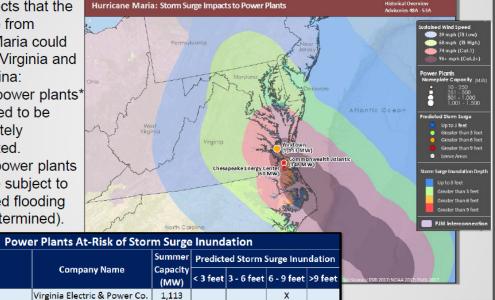
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Plant Name

Commonwealth Atlantic

Yorktown



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Market Changes

Recently Implemented

Initiatives

Hourly Offers

Energy Price Formation

Shortage Pricing

Load Following