

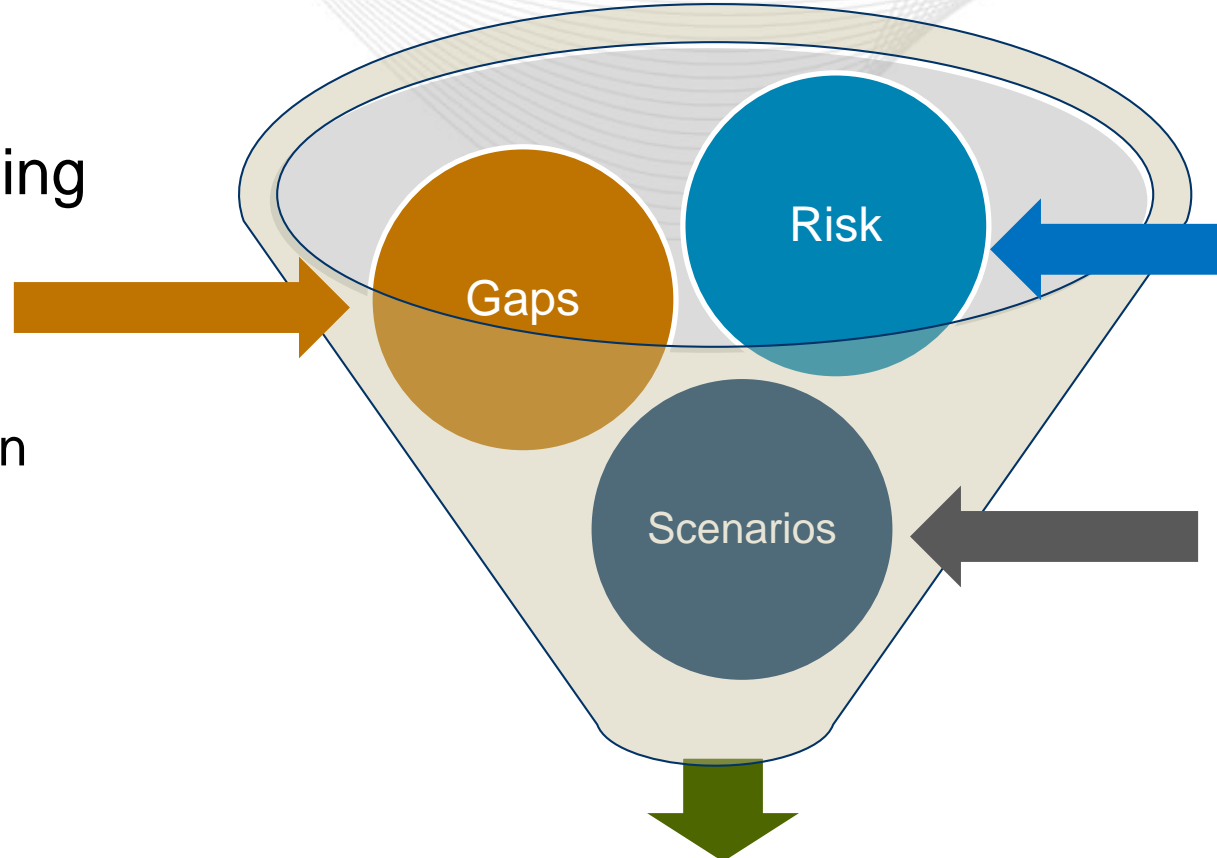


Status Update on FSSTF and Key Work Activities

FSSTF

September 20, 2019

- Gaps in Existing Mechanisms**
- ✓ Modeling of uncertainties
 - ✓ Compensation



Relevant period & credible risks informed by historical data and stakeholder feedback ✓

Relevant risks determine focused scenarios ✓

- Supplement Phase 1

What scenarios result in loss of load and what is threshold?

What is cost and incentive?

Inform stakeholder recommendation
(Are changes necessary?)



- Poll (November)
- MRC Recommendation (December)

Status of Key Work Activities

KWA	Description	Status
1	<p>Provide education, at a minimum, on the following:</p> <ol style="list-style-type: none"> a. Fuel security study recently completed by PJM. b. Work other ISO/RTOs are doing relative to fuel/energy/resource security. c. PJM mechanisms and products from both the supply side and demand side that contribute to fuel/energy/resource security. d. NERC Assessments that may support this initiative. e. The primary risks to fuel/energy/resource security in PJM and the impact and likelihood of such risks. 	<ul style="list-style-type: none"> • Reviewed Phase 1 • ISO-NE and MISO provided status • Mechanisms identified • NERC provided status • Risks identified • Relevant period identified
2	<p>Quantify the risk of occurrence of selected scenarios that might present a risk of fuel/energy/resource insecurity.</p>	<ul style="list-style-type: none"> • Risks identified • Scenarios in progress

KWA	Description	Status
3	<p>Determine what it means from a PJM system and/or resource level to be fuel/energy/resource secure. This determination should include all aspects of fuel supply characteristics, resource type characteristics, location of the fuel supply, roles of demand response and demand side management, location and characteristics of non-fuel generation (e.g., renewable and energy storage resources), and other alternative options that can ensure fuel/energy/resource security in the coming years.</p>	<ul style="list-style-type: none"> • Reviewed impact of existing mechanisms • Identified Gaps • Scenarios in progress
4	<p>Determine whether there is a quantifiable and/or locational requirement for fuel/energy/resource security in PJM.</p>	<ul style="list-style-type: none"> • Risk assessment incorporated locational aspect • Scenarios results will determine additional locational and threshold values