Integrating High Levels of Wind and Solar Energy in PJM



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Energy Policy Roundtable In the PJM Footprint March 30, 2016



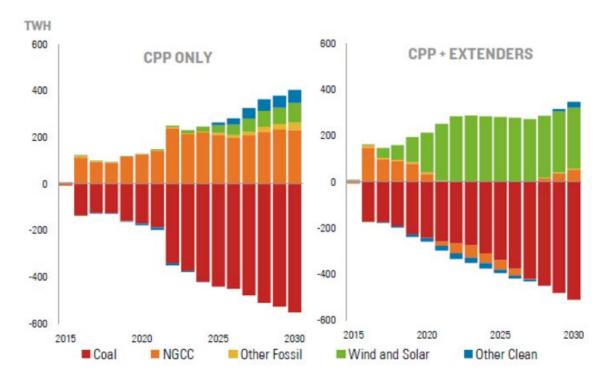
Summary

- Plan for system needs driven by Clean Power Plan and other public policies
- Strengthen interregional planning to facilitate renewables integration
- More comprehensively value wind and solar in markets and planning.



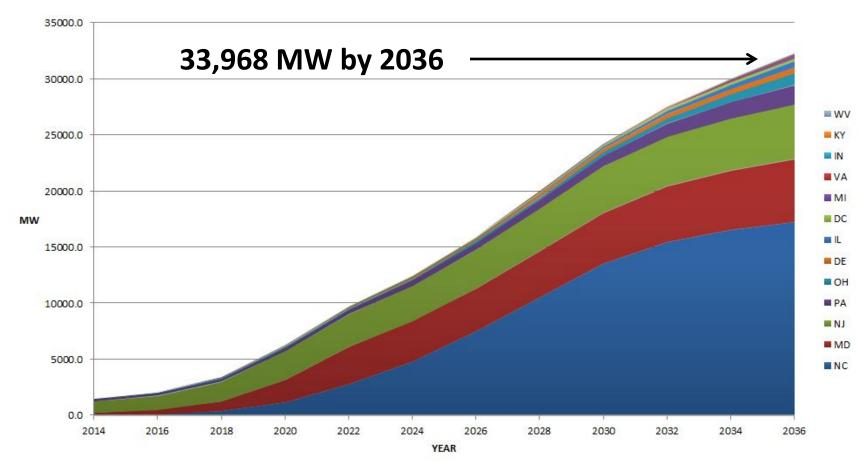
Plan Ahead for Higher RE Levels

Rhodium Study: PTC/ITC will drive utility scale wind and solar throughout the CPP compliance period at the expense of gas.



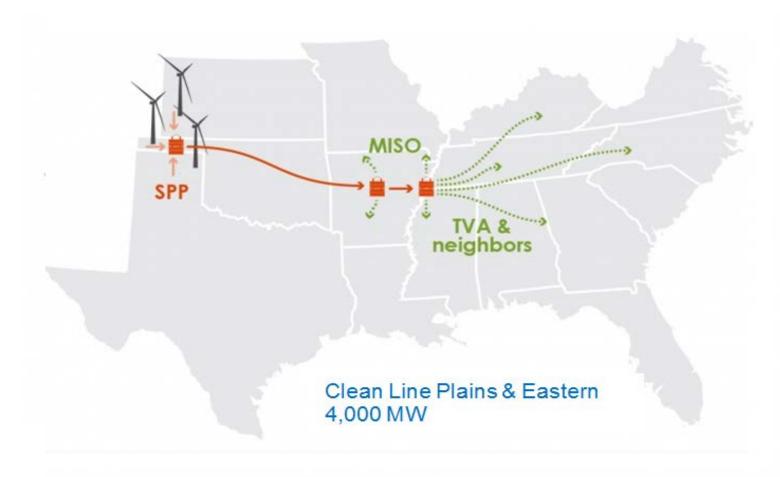
NREL Study - Rooftop Solar in PJM

(\$25/ton carbon value)

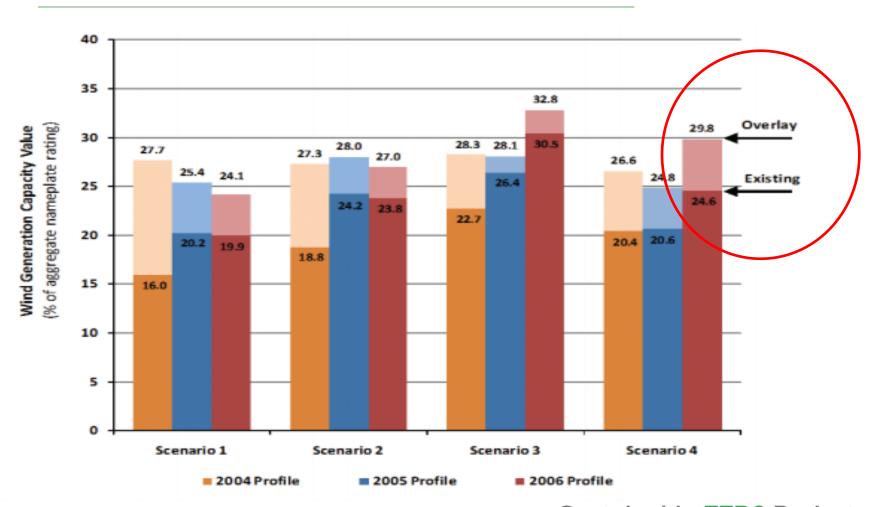


Data excerpted from *Distributed PV Adoption* – *Sensitivity to Market Factors* (NREL 2016)

Interregional HVDC Projects



Transmission Increases VER Capacity Factors



EWITS Study (2011)



Clean Power Plan – Knowledge Is Power

Our recommendations:

- Account for and address leakage
- Examine high clean energy futures
- Include reasonable efficiency levels (savings of 1.5% to 2% annually)

Modeling

- Reflect carbon reinvestment value
- Reflect impacts of more transmission
- Integrate into RTEP
- Work with states and other stakeholders



One or two metrics miss important benefits *Solution: Expand benefit metrics.*



small is Beautiful

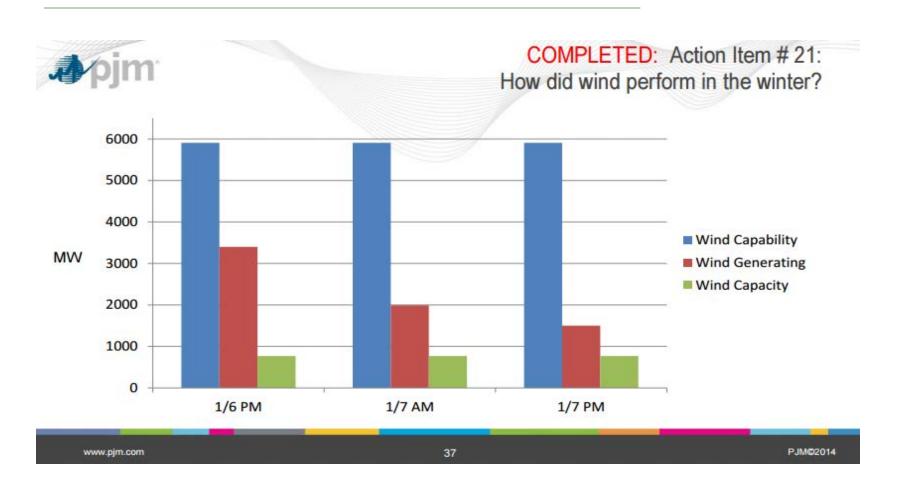
345 kV threshold restricts selection of solutions Solution: Reduce minimum size to 115 kV.

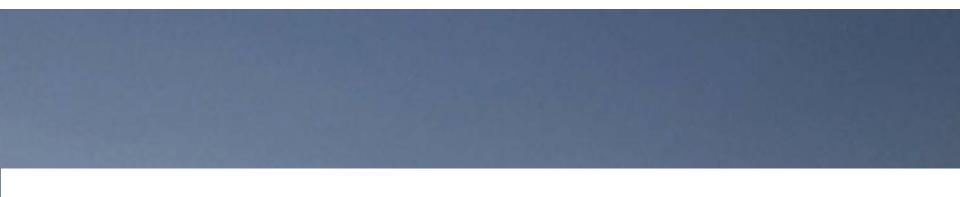


PJM Market Design Issues

- Capacity Factors for wind and solar
- Seasonal resources
- Capacity Injection Rights

Wind Performance in Polar Vortex





Questions?

