From:	Pincus, Steven
To:	Batra, Rakesh
Cc:	Michael Regulinski; Bryson, Mike E.; Souder, David W.; Tam, Simon K.; Glazer, Craig; O"Hara, Chris; Konieczny, Katherine; Mohammed Alfayyoumi
Subject:	RE: Information request PJM and Dominion Responses
Date:	Monday, October 23, 2017 4:57:10 PM

Dear Mr. Batra: PJM and Dominion submits response to the questions below. Please do not hesitate to contact me if you have any questions.

Respectfully submitted,

Steven R. Pincus
Associate General Counsel, Office of General Counsel

(610) 666-4370 | C: (610) 496-4753 | Steven.Pincus@pjm.com
PJM Interconnection | 2750 Monroe Blvd. | Audubon, PA 19403

From: Batra, Rakesh [mailto:Rakesh.Batra@Hq.Doe.Gov]
Sent: Tuesday, October 17, 2017 9:58 AM
To: Pincus, Steven; Michael Regulinski; Bryson, Mike E.; Souder, David W.; Tam, Simon K.; Glazer, Craig; O'Hara, Chris; Burlew, James M.
Subject: Information request

External Email! Think before clicking links or attachments.

PJM and Dominion:

DOE seeks more information to better understand alternatives to Yorktown Unit 1 & 2 operation. Please provide an initial response to the following questions in writing no later than Wednesday, October 18. Additional information, if any, should be submitted by Monday, October 23.

-

- According to Appendix II of PJM's June 2017 Application, "PJM has approximately 14 MW of PJM Demand Response available on the peninsula and Dominion Energy Virginia has about 20 MW of Demand Side Management capability on the peninsula in the form of remote air conditioning control as well as the ability to curtail a large industrial customer an average of 75 MWs for transmission emergencies (but the air conditioning control is limited to a total of 120 hours and for 30 days during the summer months). Are those numbers still accurate? If not, what are the correct numbers?

  PJM Response: The 14 MWs of PJM Demand Response available on the Virginia Peninsula was based on PJM's analysis for the 2016/2017 Planning Year. This value changes once a year and the value for the 2017/2018 Planning Year is 26 MWs. This change is not material as it does not alter the analysis submitted in the Federal Power Act Section 202(c) application submitted on June 13, 2017 (the "Application") and the renewal application submitted on August 24, 2017 ("Renewal Application"). Of the 26 MWs of Demand Response for the 2017/2018 Planning Year, 14.5 MWs are only available from 6/1 to 9/30, and 11 MW are available from 6/1 to 10/31, and during the month of May. Only 0.7 MWs is available throughout the entire Planning

Year. PJM analyses continue to indicate the reliability issues on the Virginia Peninsula cannot be mitigated by the available Demand Response alone and the need to rely on Yorktown Units 1 and 2 remains as stated in the Application and Renewal Application. Most of the reliability problems are voltage related and Demand Response resources are not able to provide the dynamic reactive support that Yorktown 1 and 2 units are capable of providing.

-

Dominion Response: Dominion Energy Virginia still has available about 20 MW of Demand Side Management capability on the peninsula in the form of remote air conditioning control (limited to a total of 120 hours and for 30 days during the summer months). As stated in Appendix III of the June 13 Application, Dominion Energy Virginia will reserve this capability for the highest need days to reduce load in the North Hampton Roads area on the Virginia Peninsula. With regard to Dominion Energy Virginia's ability to curtail a large industrial customer an average of 75 MWs for transmission emergencies, this curtailment is only available where the customer load is about 99 MW, so that the reduced customer total load is not more than 24 MWs. However, this customer's load during the 2017 summer months has averaged about 40 MWs total, so the 75 MW reduction is not available.

- According to PJM's RTEP Input Assumptions and Scope Whitepaper, Dominion could have a maximum of 130 MW of distributed solar generation available during the summer. Is that number still accurate? If not, what is the correct number?

  PJM Response: The 130 MWs of distributed solar generation identified in PJM's RTEP Input Assumptions and Scope Whitepaper while still accurate does not represent "a maximum of 130 MW of distributed solar generation available during the summer." More accurately it represents PJM's forecast of the amount of distributed solar generation that would occur in the entire Dominion zone at typical peaking conditions in 2017. Moreover, distributed solar would already be accounted for in load values for the load forecast studies performed by PJM and Dominion Energy Virginia.

- Neither PJM nor Dominion stated that alternative resources besides demand response and distributed generation, including battery storage, would be available to offset power loss during a scheduled transmission outage. Is that still accurate? If not, what alternative resources are available, and how much power could they provide?

  PJM Response: In Appendix II of the Application (and the Renewal Application which incorporates by reference the information from Appendix II), PJM stated that Dominion also "owns and operates on Virginia Peninsula and the oil-fired at the Yorktown Power Station ("Yorktown Unit 3"). While Yorktown Unit 3 with a capacity of 789 MW could, in theory, be available at higher load conditions, Yorktown Unit 3 has limitations which prevent PJM from relying on that unit consistently and for extended periods of time. Yorktown Unit 3 is operating pursuant to a capacity factor limitation to comply with MATS under the rule's limited use oil-fired unit provisions defined in 40 CFR 63.10042. These provisions limit Unit 3's annual capacity factor when burning oil to less than 8 percent of its maximum capacity or nameplate heat

input, whichever is less, averaged over a 24 month block contiguous period, the first of which commenced on May 1, 2015, (the first of the month following the compliance date specified in the MATS rule at 40 CFR 63.9984 (April 16, 2015). Exceeding the 8 percent capacity factor limitation would subject the unit to stringent emission limits for particulate matter, mercury, hydrogen chloride and hydrogen fluoride that would require extensive and costly retrofit pollution controls." This information on alternative resources including the available Demand Response as updated above, is still accurate.

- According to the Summary of Findings issued alongside DOE Order No. 202-17-4, the Yorktown coal units offset 950 MW of load that could be shed in a transmission outage. Is that number still accurate? If not, what is the correct number?

  PJM Response: The inforamtion regarding the Remedial Action Scheme or RAS as stated in the Application and Renewal Application is still accurate. Absent the availability of Yorktown Units 1 and 2, upon loss of certain facilities, the RAS will trip the remaining feeds to the Virginia Peninsula which sheds electric service to approximately 950 MWs of load to prevent voltage collapse during certain peak periods.

Thanks,
Rakesh Batra
202-586-1283