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Docket No. RM16-6

Item No. E-2

FERC Seeks Comment on Provision, Compensation of Primary Frequency Response

The Federal Energy Regulatory Commission (FERC) is seeking comment on the need to reform its regulations for the provision and compensation of primary frequency response, a vital tool in ensuring reliability of the North American bulk electric system.

Reliable operation of the grid requires maintaining system frequency within predetermined boundaries above and below 60 Hertz. Frequency response is a measure of an interconnected grid's ability to arrest and stabilize frequency deviations within those boundaries following the sudden loss of generation or load.

FERC issued a Notice of Inquiry today that observes that the nation's electric supply portfolio has transformed to the point where fewer resources may now be providing primary frequency response. Generators are retiring baseload synchronous units, some of which provide primary frequency response, and replacing them with a changing resource mix that includes a rapid expansion of variable energy resources such as wind and solar. These resources do not typically have primary frequency response capabilities.

That, FERC said, could reduce the net amount of frequency response generation online and present reliability challenges for system operators.

The Commission believes this warrants consideration of steps to ensure maintenance of resources capable of providing primary frequency response as the nation's resource mix continues to evolve. Today's notice seeks input on whether and what action is needed, including whether to:

- Amend the *pro forma* Large Generator and Small Generator interconnection agreements to require that all new generation resources have frequency response capabilities as a precondition of interconnection;
- Implement primary frequency response requirements for existing generation resources; and
- Establish procurement and compensation mechanisms for primary frequency response.

Comments on the NOI are due 60 days after publication in the *Federal Register*.

R-16-12

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