

# Reliability Reduction Lost Opportunity Cost

MRC

November 16, 2011

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# Issue

- **Wind farms have capacity interconnection rights (CIR) equal to 13 percent of maximum output, or demonstrated capacity factor during RPM peak periods.**
- **Energy injected above the CIR should be curtailed with no opportunity cost, as the transmission system has not been built to accommodate that energy at all times.**
- **Such units do not have full interconnection rights and have not paid for needed transmission upgrades to have those rights.**



# Proposed Solutions

- **Lost opportunity cost recovery should occur for wind units only when unit is curtailed from the lower of PJM forecast value, desired MW, or the CIR MW.**



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