

**Principles for a Consensus Proposal  
on Operating Reserve Demand Curve (ORDC)  
for Members Committee Consideration on February 6, 2019**

Using the PJM proposal as a basis, modifications in areas listed below:

1. Adjustments to Operating Reserve Demand Curve base point (highest dollar value on ORDC)
2. Elimination of E&AS simulation adjustments
3. Adjustments to uncertainties included in calculating ORDC
4. DR participation level in Sync Reserve market
5. Review periodicity of Energy Price Formation constructs