

Demand Response Proposed Changes

MRC

January 31, 2013

- A. Emergency measurement and verification
- B. CSP reported DR information
- C. DR duplicate resolution process

MIC endorsed proposed changes by acclimation
with 5 opposed and 0 abstentions

- Kema measurement and verification study identified that economic method is more accurate than emergency method.
- Energy settlement rules unclear if there is an overlap between and economic and emergency event for same DR resource
- Existing economic CBL rule includes emergency event days in CBL day selection process - load will already be lower

- If CSP has approved economic registration then use economic CBL to determine load reduction otherwise use existing hour before method to determine load reduction
 - OATT, OA: Emergency Load Response Program changes
 - Manual 11, section 10.4 changes
- Clarify that demand resource dispatched for both economics and emergency conditions will be settled based on emergency energy settlement rules
 - OATT, OA: Emergency Load Response Program changes
 - Manual 11, section 10.4 changes
- Selection of Economic CBL days will exclude emergency event days
 - OATT,OA: 10.3A.2 changes

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- CSP's report the following information to PJM but reporting requirements are not adequately documented & information is incomplete
 - Business segment
 - DR load reduction method and associated DR capability
 - On-site generation attributes

- Clarify requirements in Manual 11, section 10.2.2
 - Eliminate use of “Other” category to ensure reasonable information is provided
- Expand on-site generation attributes to include:
 - Generator vintage, retrofit nameplate rating, permit status and permit type

Majority of CSP's have already provided updated data

- A. Emergency measurement and verification
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- Different CSPs attempt to register same end use customer.
- Duplicates are not allowed since it could lead to double payment for same service in the PJM markets and violate existing PJM market rules.
- Issues identified with existing resolution process:
 - Time consuming & manual
 - PJM involvement with member's retail customer(s)

- If the current registration is a full emergency and the Delivery Year has begun, the economic registration will be terminated
- Both CSPs given 5 business days to affirm they have valid contract and contact end-use customer to affirm customer's CSP selection.
 - Only 1 CSP affirms they have a valid contract: that registration will proceed and the other will be terminated
 - Neither CSP affirms they have a valid contract: both registrations are terminated
 - Both CSPs affirm they have a valid contract: both registrations are terminated
- Proposed changes in Manual 11, section 10.2