

# Maintaining accurate LSE on the registrations that participate in DA energy market

Peter Langbein

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- CSP with Economic DR registration **with incorrect LSE** that participates in DA energy market
- Negative Dec applied to wrong LSE which creates settlement problem for the incorrect and correct LSE.



# Economic DR in DA Energy market and negative decs

PJM will create negative DEC bids for the LSE for a DR that clears in Day-ahead Market for registrations based on the amount that cleared in Day-ahead Market. A negative DEC bid is the same as an offer to sell which is done to minimize the impact of the load reduction on the LSE’s Day-ahead Energy Market position.

#	Scenario	Registration	Load Reduction Capability (MW)	CSP DA Cleared offer (MW)	DA LMP (\$/mwh)	LSE DA Cleared bid (MW)	PJM negative dec (MW)	LSE Position in DA market (MW)	LSE Actual Load (MW)	LSE Position in RT market (MW)	RT LMP (\$/mwh)	Outcome	Billing line item		Total charge		
													1200	1205			
1	LSE hedges entire load in DA market, no PJM negative dec and CSP performs 100%	Joe Building	0.6	(0.40)	\$85.00	100.00	-	100.00	99.60	0.40	\$125.00	LSE long and sells excess back in RT market.	Day-ahead Spot Market Energy (charge)	Balancing Spot Market Energy (charge)	\$8,450.00	\$ (50.00)	\$8,450.00
2	LSE hedges entire load in DA market, PJM does neg.dec and CSP performs 100%.	Joe Building	0.6	(0.40)	\$85.00	100.00	(0.40)	99.60	99.60	-	\$125.00	LSE position is not changed	\$8,466.00	\$ -	\$8,466.00		

**Notes:**

- Negative dec bid is really same as offer to sell.
- LSEs automatically get negative dec for all DR DA offers that clear in DA market.
- The examples do not include BOR charges
- Column names and signs are not exactly the same as in the settlement reports

- CSP is responsible to maintain accurate LSE on the registration and terminate the registration as soon as the LSE stops serving the account's load.
  - For registrations that **participate in DA energy market** CSP must ensure LSE is always accurate. At a minimum the CSP should verify with their customer on the monthly basis that the LSE is accurate.
- LSE should review registration approval task in DRHUB and reject if not their customer.
  - LSE should set email preferences on the DRHUB “Account and Users” tab to “All tasks” if they would like to receive an email notification for new/extended registrations.
- LSE may do periodic basis check the registration where they are listed as an LSE.
  - Login DRHUB under each active subaccount and click on the “Registrations” tab.
- DR Hub change – PJM will update the default email preference from “None” to “All tasks” for all new LSE users with read/write access. PJM will also review all existing non-EDC LSEs and verify at least one user with read/write access will receive email notification. If no users receive email notification then PJM will update all users with read/write to receive emails.

Facilitator:  
Ilyana Dropkin,  
[ilyana.dropkin@pjm.com](mailto:ilyana.dropkin@pjm.com)

Secretary:  
Luke Zinszer,  
[luke.zinszer@pjm.com](mailto:luke.zinszer@pjm.com)

SME/Presenter:  
Peter Langbein,  
[peter.langbein@pjm.com](mailto:peter.langbein@pjm.com)



### Member Hotline

(610) 666 – 8980

(866) 400 – 8980

[custsvc@pjm.com](mailto:custsvc@pjm.com)

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(610) 666-2244 / [it\\_ops\\_ctr\\_shift@pjm.com](mailto:it_ops_ctr_shift@pjm.com)

