

Net Metering: Impacts on PJM Loads, Forecasts and Peak Load Contributions

John Reynolds
Net Metering Senior Task Force
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Unmetered generation can be:

- Behind the meter and “under the radar”
- Behind the meter but visible (participating somehow in PJM markets)

- Load in PJM is actually measured as Net Energy for Load (generation net of external tie flows)
- Any unmetered generation on the electrical system is perceived by PJM as a load drop
- Unless the unmetered generation is offset by a load drop estimate it will lead to lower load level and therefore lower load forecast and lower capacity obligation

Requirements for Production of Load Drop Estimates

Reason for Load Drop		PJM-Initiated Emergency or CSP-Initiated Test	Economic	EDC- or CSP-Initiated
Program Registration	DR / ILR	<i>Load Drop Estimates must be produced for any interruptions from June 1 through September 30. Load drop is capped at the nominated DR/ILR amount.</i>	<i>Load Drop Estimates must be produced for any settled interruptions from June 1 through September 30. Load drop is capped at the nominated DR/ILR amount.</i>	<i>No Load Drop Estimates required.</i>
	Emergency Energy Only	<i>Load Drop Estimates must be produced for any interruptions during Emergency hours from June 1 through September 30.</i>	<i>No Load Drop Estimates required.</i>	<i>No Load Drop Estimates required.</i>
	Economic	<i>No Load Drop Estimates required.</i>	<i>No Load Drop Estimates required.</i>	<i>No Load Drop Estimates required.</i>

- Load data used in forecasting and planning is based on Unrestricted Load.

Unrestricted Load:

- = Metered Load
- + Load drop estimates for Load Management
- + Voltage Reduction impact estimates
- + Loss of Load impact estimates
- + Load drop estimates for PRD (future)

- PJM produces weather-normalized zonal coincident summer peak loads, using unrestricted load data
- Each zone's normalized peak is then allocated to the wholesale and retail customers (by the EDC)
- EDCs use specific methodologies that typically employ the customer's shares of RTO actual peaks.
- The resulting Peak Load Contributions are then used in the determination of capacity obligations.