Problem Statement/Charge

<u>Demand Response – Emergency Annual DR maintenance outage</u> reporting process

Problem / Opportunity Statement

The following 3 new products were created for emergency DR based on the underlying availability of the resources: Limited DR, Summer Extended DR, and Annual DR. The new products have cleared in prior RPM auctions and are scheduled to be delivered for the first time in the 14/15 Delivery Year. The tariff currently allows Annual DR to be unavailable for dispatch and therefore not required to provide load reductions for short periods of time during October through April because of a maintenance outage.

RAA: Article 1 – Definitions, 1.1A provides "Annual Demand Resource shall mean a resource that is placed under the direction of the Office of the Interconnection during the Delivery Year, and will be available for an unlimited number of interruptions during such Delivery Year by the Office of the Interconnection, and will be capable of maintaining each such interruption for at least a 10-hour duration between the hours of 10:00AM to 10:00PM Eastern Prevailing Time for the months of June through October and the following May, and 6:00AM through 9:00PM Eastern Prevailing Time for the months of November through April unless there is an Office of the Interconnection approved maintenance outage during October through April. The Annual Demand Resource must be available in the corresponding Delivery year to be offered for sale or Self-Supplied in an RPM Auction, or included as an Annual Demand Resource in an FRR Capacity Plan for the corresponding Delivery Year."

Issue Source

Market participants have asked PJM on the specific implementation for these provisions. PJM provided a high level summary of the implementation approach at the 10/22/13 DRS and there was significant discussion on some of the specific details. Based on the discussion and input from stakeholders, PJM has initiated this Issue Statement to develop and codify any outstanding conforming details in the appropriate manual.

Stakeholder Group Assignment

Demand Response Subcommittee

Key Work Activities

- 1. Review existing Governing Documents
- 2. Clarify what is eligible for maintenance outage.
- 3. Develop process for CSP to request a maintenance outage and for PJM to review and approve/deny request for maintenance outage.
- 4. Develop conforming Manual 18 language that provides additional clarification for stakeholders

Expected Deliverables

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1. Manual changes that conform to tariff and provides additional clarification for stakeholders.

Expected Overall Duration of Work

Nov – Feb, 2013: DRS – analyze and develop proposed solutions

Feb – Mar: MIC – proposed changes for endorsement

Apr – May: MRC – proposed changes for endorsement

Decision-Making Method

Tier 1, consensus (near-unanimity) on a single proposal (preferred,) or Tier 2, multiple alternatives.