



# Load Management 30 minute lead time requirement – exceptions and associated administrative process

DRS

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- Effective with the 2015/2016 Delivery Year, load management will be required to fully respond within 30 minutes of notification unless an exception request for 60 or 120 minute notification time is approved by PJM. If qualified for one of the following exceptions, then CSP shall elect either 60 minute or 120 minute lead time based on the resources physical capability to provide the load reduction :
- The intent of these exemptions is to accommodate resources with legitimate, physical reasons as to why the load reduction cannot be achieved in the default, 30 minute notification time period and require up to 120 minutes to fully provide the load reduction. CSP must provide additional data and information within three business days of PJM request to substantiate the request for a longer lead time (60 or 120 minutes). PJM will make its determination within ten business days of receiving such additional information regarding the appropriate lead time for the registration.

- Avoid damaging production equipment, raw material used in production process or final product
  - The manufacturing processes for the Demand Resource require gradual reduction to avoid damaging major industrial equipment used in the manufacturing process, or damage to the product generated or feedstock used in the manufacturing process
- Examples/Notes (should represent unavoidable significant damage to one of the 3 below items which is directly caused by reducing load in 30 minutes in response to PJM dispatch):
  - Major Production equipment damage (equipment used to produce product) - ?
  - Raw material damage - ?
  - Product damage - ?

This does not include damage or cost incurred from reducing load – just damage incurred by reducing load in 30 minutes instead of 1 or 2 hours.

- Generation ramp time
  - Transfer of load to back-up generation requires time-intensive manual process taking more than 30 minutes
- Examples:
  - Generation station without remote start capability and without personal at station (takes person 30 minutes to get to station and 30 minutes to have unit fully deployed).

- Safety Issues
  - On-site safety concerns prevent location from implementing reduction plan in less than 30 minutes
- Examples:
  - Intend to fully shutdown plant and may take people more than 30 minutes to safely evacuate.

- Mass market notification delay due to communication latency
  - The Demand Resource is comprised of mass market residential or Small Commercial customers which collectively cannot be notified of a Load Management event within a 30-minute timeframe due to unavoidable communications latency, in which case the requested notification time shall be no longer than 120 minutes.
- Mass market represents pool of customers that are dispatched/notified (same offer price) and administered the same way throughout the process.
  - “Small Commercial Customer, shall mean a commercial retail electric end-use customer of an electric distribution company that participates in a mass market demand response program under the jurisdiction of a RERRA and satisfies the definition of “small commercial customer” under the terms of the applicable RERRA’s program, provided that the customer has an annual peak demand no greater than 100kW. (see tariff language for detail)
- Examples:
  - Residential program where hundreds of thousands of customers are notified by telephone to reduce their load and it physically takes more than 30 minutes to make all the phone calls.

- CSP registered location (same as today) except
  - 30 minutes lead time is default
  - If CSP selects 60 or 120 minute lead time then CSP must
    - Select appropriate exemption (CSP is required to have appropriate supporting documentation from location for any exemption request BEFORE requesting the exemption)
      - Manufacturing process equipment/feedstock/product damage
      - Generation ramp limit
      - Safety problem
      - Mass market communication latency
    - Provide brief summary of reason for exemption
    - Exemption provisionally approved and registration goes through normal approval process
  - PJM will follow up with CSP on case by case basis for supporting information prior to registration submission deadline
    - CSP to provide supporting information
      - if CSP does not have adequate information lead time will be changed to 30 minutes
  - CSP may terminate registration if 30 minutes is not viable.
  - CSP that have frequent non-supported exemptions will be referred to MMU and/or FERC OE for additional investigation.