

Determination of CBL used for DR CP non-summer capacity compliance

DRS

- Summer capacity compliance calculation – no change, do same as today
 - Load Reduction = PLC – (load * losses)
- **NEW: Non-summer capacity compliance calculation**
 - Load Reduction = (CBL – load) * losses
- New CP DR rules leverage Economic CBL rules

Change made to ensure load reductions occur during non-summer month

- Economic CBL rules established for Economic DR resource
 - Voluntary availability based on CSP preference
- All CP registrations (or potential substitutes) required to perform RRMSE test
 - 60 days of load data (primarily provided to CSP by EDC with customer consent)
 - <20% RRMSE, otherwise alternative CBL process
 - Ultimately PJM determined CBL if no accurate CBL available

- DRS approved emergency energy M&V changes to improve accuracy across wider dispatch periods and balance member effort
 - Eliminate hour before method
 - Use default Economic CBL (3 day type with symmetric additive adjustment) as default for all Emergency DR registrations
 - If economic and emergency registration use economic CBL unless MBL then use Emergency CBL.
 - Eliminate RRMSE requirement unless intend to use Alternative CBL
 - Economic Alternative CBL process applicable to Emergency registrations

Intention was to leverage this approach for non-summer capacity compliance

- Load Management default CBL for all registrations used for non-summer capacity compliance calculation is default economic CBL
 - 3 day type with symmetric additive adjustment
- RRMSE test is not required for Load Management registrations
- Load Management CBL is used for non-summer capacity compliance if Economic CBL is MBL (max base load)
- CSP or PJM may still utilize alternative CBL process defined in tariff
 - RRMSE Test is required
 - Alternative to be finalized by 10/1 or as approved by PJM

Emergency energy CBL rules will stay the same
("wait and see" approach for EPSA outcome)

Stakeholder Process proposed timeline

Who	What	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16
DRS	Problem statement and proposed solution review	█							
MIC	Problem statement approval, first read proposed solution	█							
MIC	Proposed solution endorsement		█						
MRC	First read			█					
MRC	Endorsement				█				
MC	Endorsement					█			
FERC	File are FERC						█		
FERC	FERC Decision								█

Need to resolve before start of 15/16 DY.