On December 24, 2013, PJM filed changes with FERC to the Tariff, Operating Agreement and Reliability Assurance Agreement to implement enhancements in Demand Resource operational requirements. These changes will allow PJM to deploy Demand Resources more efficiently when approaching emergency conditions. By deploying a more accurate amount of Demand Resources in the most effective locations, PJM will better ensure real time prices that reflect actual operating conditions.

During the early part of the stakeholder discussion that lead to this PJM filing, Curtailment Service Providers (CSPs) suggested that a commitment transition provision similar to that which is reflected in Section 5.14A of Attachment DD of the PJM Tariff\(^1\) would be beneficial. Such a provision would protect CSPs and their customers from potential economic harm to contracts previously executed in reliance on the then prevailing rules that might result from the implementation of the filed changes. During this early stakeholder discussion, PJM staff agreed such provisions would be equitable and appropriate. However, as the stakeholder discussion progressed, leading to the endorsement of the Tariff language PJM filed on December 24\(^th\), further discussion of a commitment transition provision did not occur, and therefore such a provision was not included in the Tariff language that PJM staff drafted and PJM stakeholders endorsed.

PJM provides this notice to its stakeholders that it remains supportive of the inclusion of a transition provision with respect to the changes filed on December 24\(^th\) under the conditions that pre-existing arrangements between CSPs and their customers relied on the rules as they existed prior to the filing of the proposed changes. PJM will indicate such support in response to any such comments filed in Docket ER14-822 requesting that a commitment transition provision similar to the existing provision referenced above be included and applicable to the DR operational changes filed in that docket.

\(^{1}\) This provision was added as a result of the proceeding in FERC docket ER11-3322.