



DR Operational Enhancements

Special MIC Session



DR Operational Enhancements

- May 2013
 - Problem statement initiated by PJM
- June 2013
 - Issue approved by MRC and sent to CSTF
- July 2013 – November 2013
 - Discussed at the CSTF
- November 2013 MRC
 - CSTF main motion passes
- December 2013 MC
 - Main motion with 2 friendly amendments passes
- *December 24, 2013 – filed with FERC*

- Create Pre-Emergency/Emergency buckets
- 30-minute default lead time (2015)
- Reduce down time to 1 hour
- M&V for sub-hourly deployments
- Mandatory compliance for all sub-zonal dispatch (2015)
- Reduction and stratification of offer caps

*Will influence
operator decision-
making.*



Pre-Emergency/Emergency Buckets

- Starting June 1, 2014
 - Default is Pre-Emergency
 - Need an exception to qualify as Emergency
- Allows PJM to use a majority of its DR capacity without initiating emergency procedures



30-Minute Default Lead Time

- Creation of a 30-minute lead time bucket in addition to existing 60 and 120-minute
 - Voluntary for 2014
 - Mandatory for 2015
- Shrinking the lead time on DR will allow operators to call with more certainty on system conditions
- Should lead to
 - DR only being called when absolutely needed
 - More accurate quantities called
 - Better price-setting
 - Lower make wholes

- Reduce min down time for events from 2 hours to 1 hour
 - Less time holding on to expensive resources when no longer needed
- Should lead to
 - Better price-setting
 - Lower make wholes