Problem Statement – Open registration for DR acting as CP

The Capacity associated with Demand Resources (DR) is established by the act of submitting a registration to PJM describing the sites that are offered for curtailment. Under current rules, DR can only be registered for RPM purposes in a window from January 1 through May 15 and only for the Delivery Year following the May 15 deadline. This registration window is a result of the legacy combination of seasonal performance requirements and seasonal penalty structures for products such as Limited DR and Extended Summer DR and the daily nature of Capacity resources generally.

With the advent of Capacity Performance and a daily performance obligation, along with an hourly penalty structure there is no longer a rationale to limit the registration process to the January to May 15 window. An open registration window can increase reliability and reduce provider risks and customer costs by allowing willing customers to be registered after May 15 thereby allowing their performance to be recognized and compensated. This would be comparable to the current practice of generator recognition as a resource at the time of commissioning.

It is recommended that open registration for CP DR resources be considered and rules for open registration be developed and implemented.

Key Work Activities

The following are some key work activities that should be undertaken to address the above stated problems.

1. Review the basis for the current window and ascertain if the bases are appropriate for DR acting as CP.
2. Develop Manual changes and Tariff changes necessary to implement open registration of CP.

Stakeholder Group Assignment

The DRS is the recommended forum for this work.

Expected Deliverables

Possible manual changes and potential Tariff/RAA and manual changes.

Expected Overall Duration of Work

The goal is to complete work and make recommendations to the MRC by the November 2016 MRC meeting.

Decision-Making Method

Tier 1, consensus (unanimity) on a single proposal