DR as Operational Resource
Economic DR energy market offer process

CSTF

7/17/13

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PJM Opportunity by Wholesale Service

Wholesale Service	Demand Side Response
Capacity	Yes
Energy	Yes
Day Ahead Scheduling Reserves (30 min)	Yes
Synchronized Reserves (10 min)	Yes
Regulation	Yes

Customer decides if they want to participate as emergency and/or economic resource

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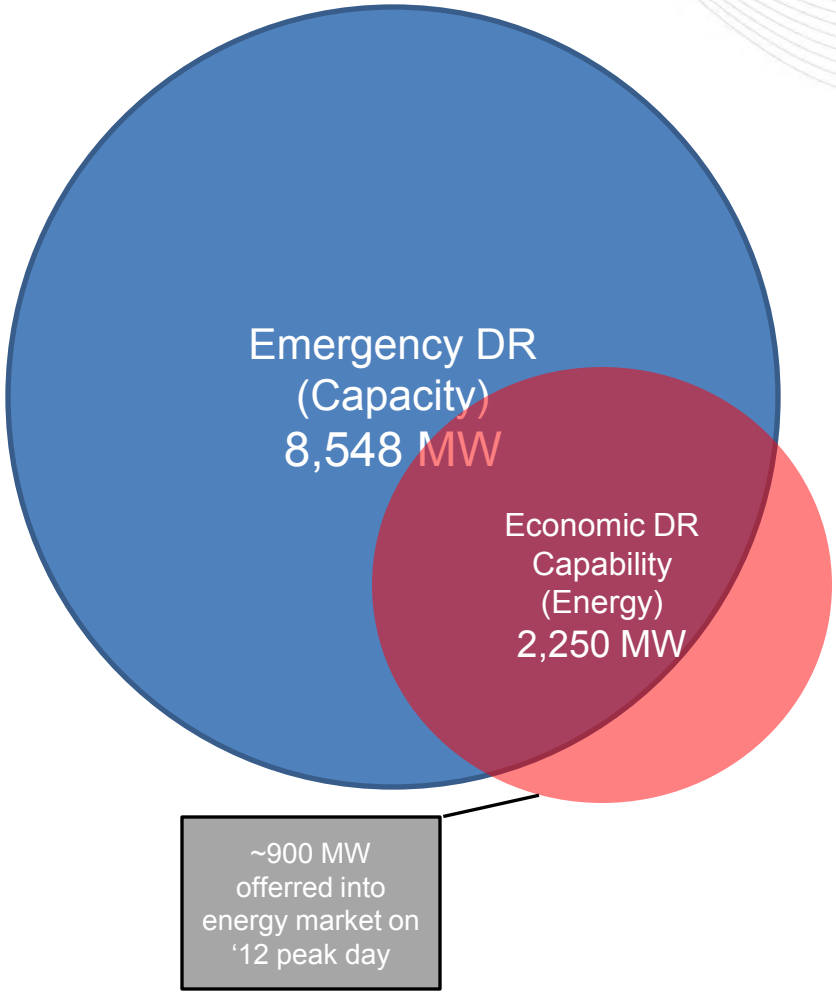
DR summary
Emergency DR participation in Energy market



- ~25% of DR Capacity has Economic registration
- ~10% of DR Capacity had economic offer into energy market on peak day
- ~3% of DR capacity provided load reduction in energy market based on economics on peak day

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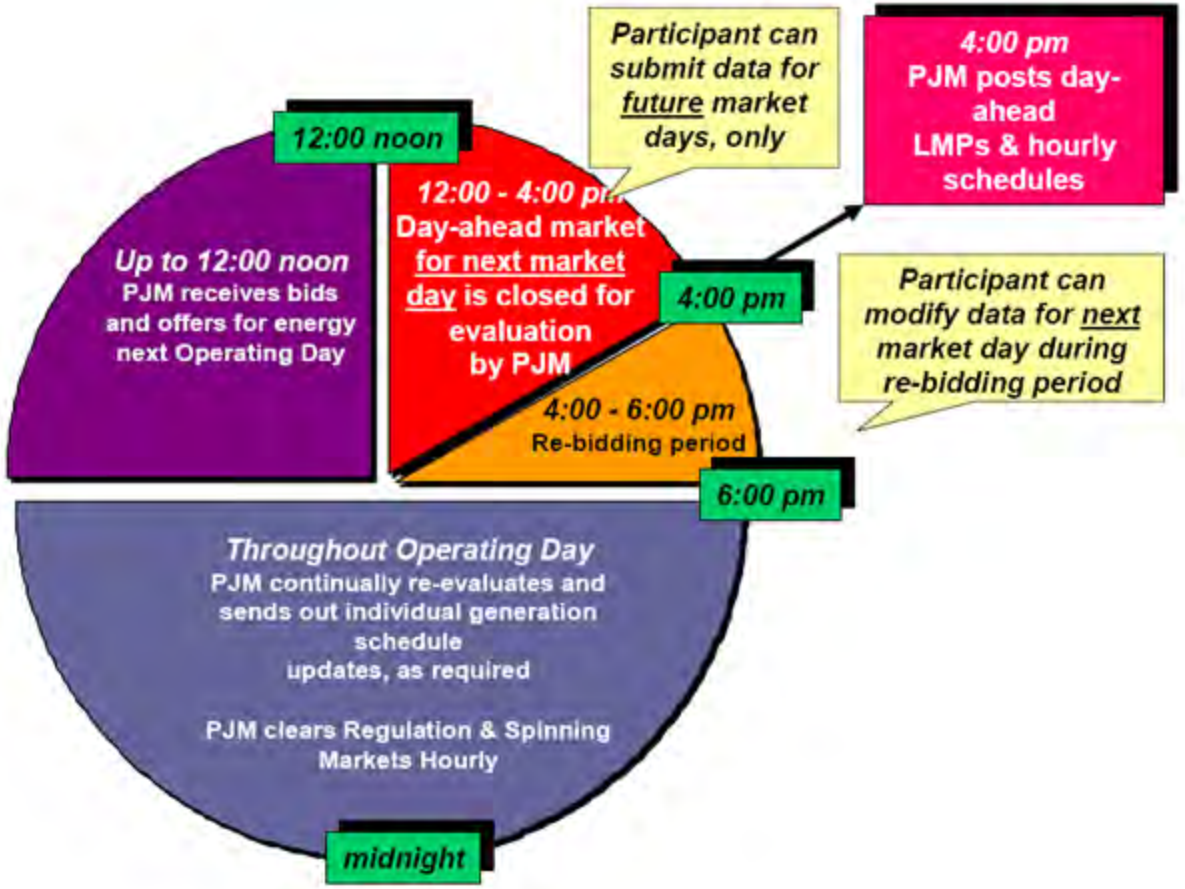
PJM eMKT Timeline

All Economic DR offers need to respect the Day-Ahead market clearing timelines:

1) *Offers entered by 12 Noon*
2) *From 12 Noon to 4PM, PJM runs the DA market for the next operating day*
3) *At 4PM, PJM will post DSR resources that cleared the DA market, along with DA LMPs*



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DR Offer Curves Overview:

Offer Curves are required for:

1) **Day-Ahead Market clearing**
2) **PJM Dispatch in the Real-Time Market**

Without an offer curve, there cannot be an economic dispatch in either market for any hour of the day.

Offer Curves are not required for sole participation as a Synchronized Reserve Market resource (no energy settlement)

- Offer curves consists of MW/price pair segments. Up to 10 segments can be defined for each offer curve.
- Each registration can have up to two sets of offer curves, but only one offer curve can be made available on a daily basis.
- Market Type participation (Day Ahead, Balancing or Both) is associated with a schedule that can be changed daily by the CSP
  - Special Members are prevented from participating in the Day Ahead Market

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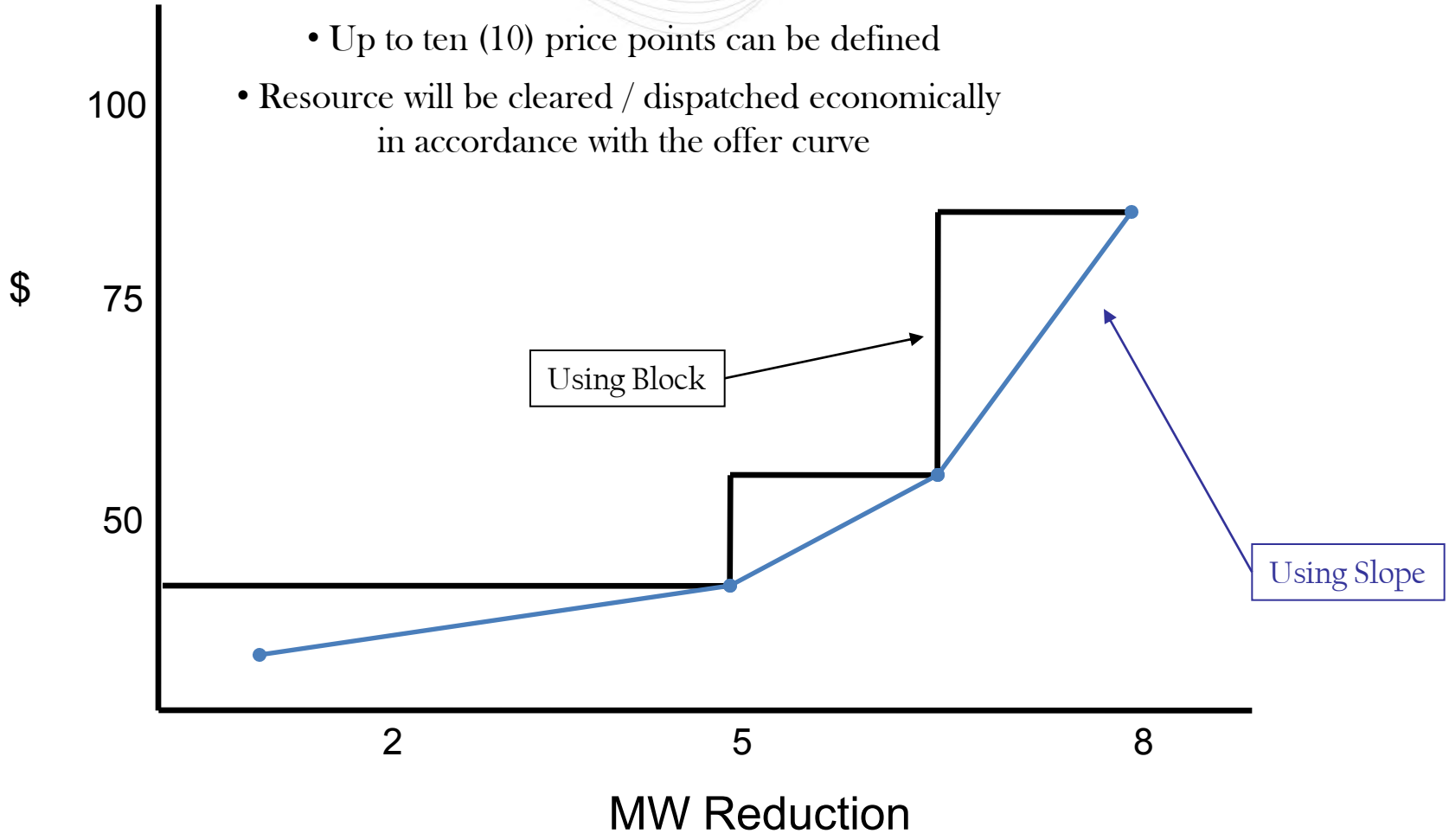
Example of Incremental Offer (Slope vs. Block)

- eMKT allows for the selection of either Slope or Block
  - Up to ten (10) price points can be defined
  - Resource will be cleared / dispatched economically in accordance with the offer curve



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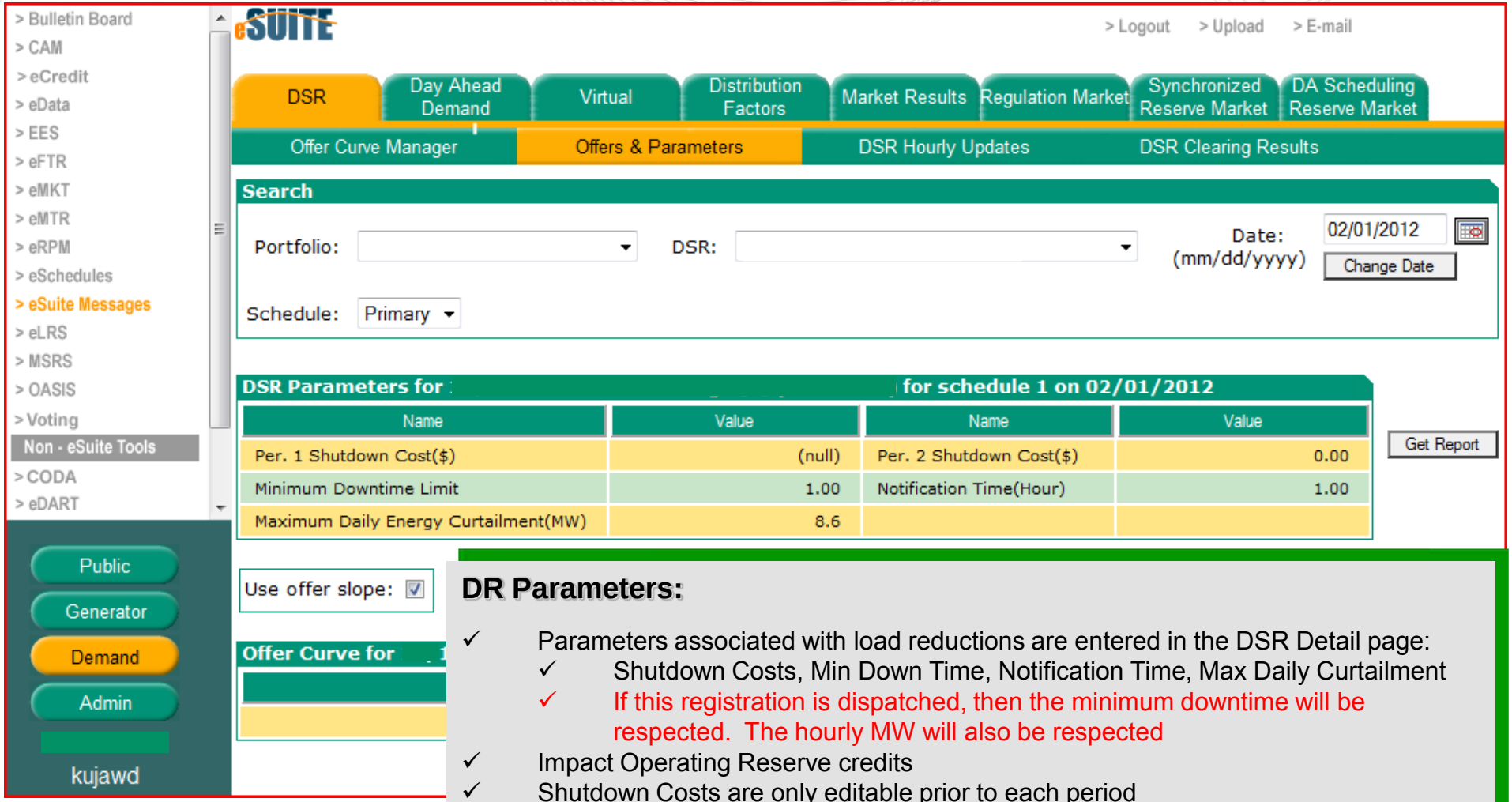
DR Parameters and Offer Curve



DR Parameters:

- ✓ Parameters associated with load reductions are entered in the DSR Detail page:
  - ✓ Shutdown Costs, Min Down Time, Notification Time, Max Daily Curtailment
  - ✓ If this registration is dispatched, then the minimum downtime will be respected. The hourly MW will also be respected
- ✓ Impact Operating Reserve credits
- ✓ Shutdown Costs are only editable prior to each period
  - Per. 1 = April 1 – September 30
  - Per. 2 = October 1 – March 31
- ✓ Parameters are effective beginning the date shown

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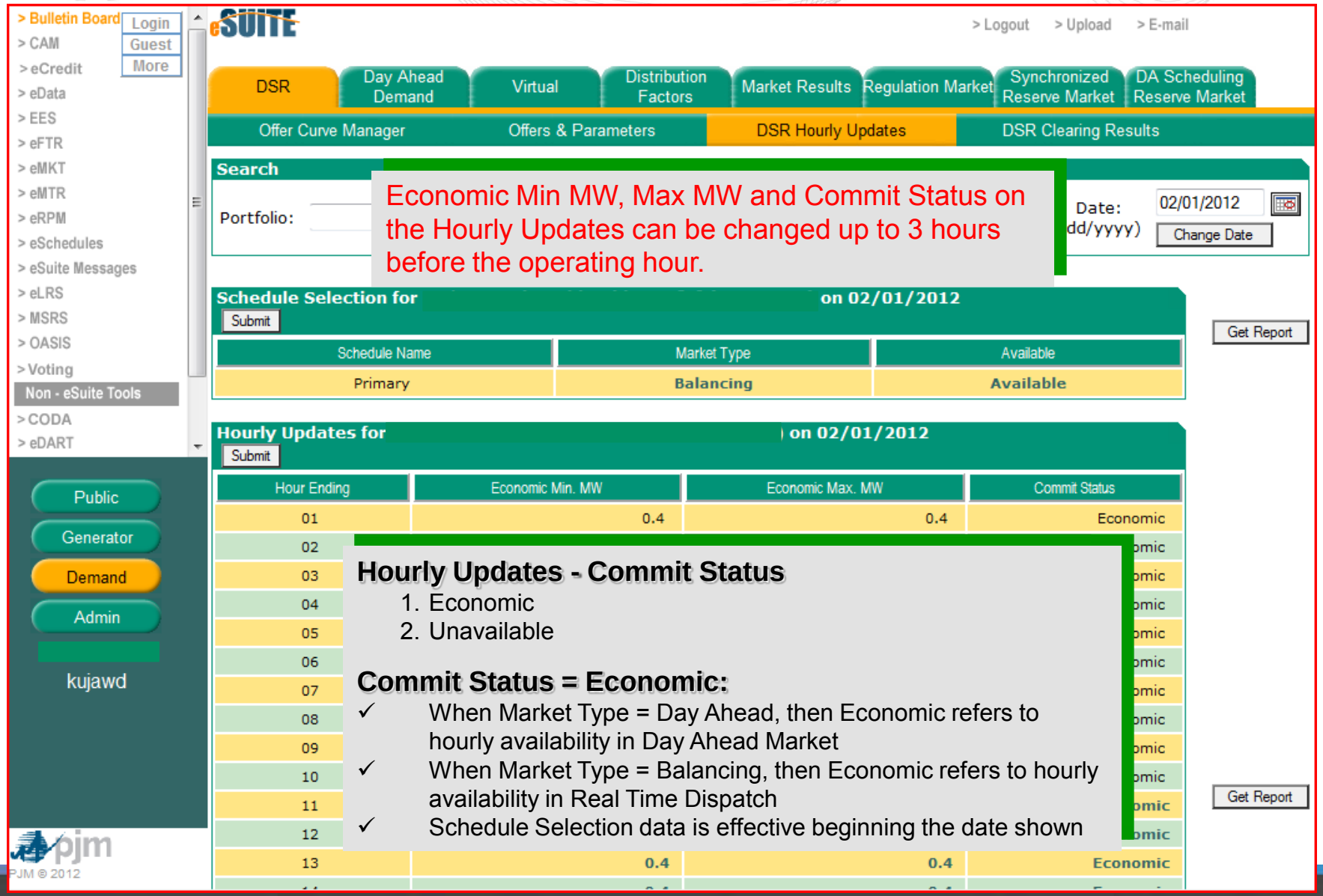
Schedule Selection and Hourly Updates