

DA Offer for Demand Response

CSTF
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- All Demand Resources that are considered capacity for PJM would be required to submit an offer into the energy market
- Applicable during the mandatory compliance period for that product
- Could be “Economic” or “Emergency”
 - Depending on criteria

- Add similar criteria for demand resources
 - Tariff Attachment K, 1.10.1A(d)
 - i) **Environmental limits.** If the resource has a limit on its run hours imposed by a federal, state, or other governmental agency that will significantly limit its availability, on either a temporary or long-term basis. This includes a resource that is limited to operating only during declared PJM capacity emergencies by a governmental authority.
 - ii) **Fuel limits.** If physical events beyond the control of the resource owner result in the temporary interruption of fuel supply and there is limited on-site fuel storage. A fuel supplier's exercise of a contractual right to interrupt supply or delivery under an interruptible service agreement shall not qualify as an event beyond the control of the resource owner.
 - iii) **Temporary emergency conditions at the unit.** If temporary emergency physical conditions at the resource significantly limit its availability.
 - iv) **Temporary megawatt additions.** If a resource can provide additional megawatts on a temporary basis by oil topping, boiler over-pressure, or similar techniques, and such megawatts are not ordinarily otherwise available.

- Resources not meeting the emergency criteria would be required to register in the economic program
- Due by noon the day before the operating day
 - Offer price applying to all 24 hours
 - Hourly parameters
 - Availability
 - MW Capability

- An economic DR resource is eligible for an operating reserve uplift payment if
 - Committed by PJM
 - Follows dispatch
 - Does not make back its cost
- Economic DR resources are charged for BOR if they cannot comply when dispatched

- Provisions to make DR resources whole exist in the Tariff
 - OR/BOR for economic resources
 - Allocation the real-time net purchasers for emergency demand resources
- Existing methodologies can be used for cost allocations

- Capacity
 - Cap capacity capability at PLC level
- Energy
 - Maintain use of CBL
 - Possible implications on capacity value due to energy non-performance?