



Demand resource emergency energy measurement and verification

MIC

5/9/14

- Emergency Full DR registrations receive compensation for real time energy load reductions when dispatched
- Real time energy load reductions based on:
 - If only an emergency registration then hour before event is CBL
 - If there is economic registration at time of settlement submission then use economic CBL

Current rules established to balance administration with load reduction accuracy

- High volume of PJM dispatches
 - 11 days in 13/14 DY to date
- DR dispatch during non-summer months
- DR dispatch during early morning hours
- Multiple dispatches in same day
- DR dispatch of several hours

PJM developed issue based on questions from members during polar vortex

- Accuracy of the hour before CBL methodology, especially for early morning hours or multiple dispatches in one day.
- Cumbersome administrative process to use an economic CBL which requires an EDC review.
- After the fact selection of CBL to use for settlements and process used to determine which registrations require settlement.
- Use of economic CBL from economic registration when customer primarily participates in ancillary service market and economic CBL is conservative (“max base load”).