

A decorative graphic consisting of several thin, overlapping, wavy lines in shades of grey and white, positioned at the top of the slide.

BTMG & Load Response/DR education

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MIC Special Session

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- BTMG – output used to net load and therefore operates to reduce electricity cost. Does not participate in wholesale market
- On-Site Generator – output used to reduce load that only operates to participate in the wholesale market (Economic or/and Emergency/Pre-Emergency DR). If generator will operate on their own then it is BTMG and not DR
- Generator (Capacity and/or Energy Resource) – interconnected through the PJM queue and participates in the wholesale market

1 MW of output from generator may only be in 1 of 3 categories

- DR can be effectuated from a variety of technologies
 - HVAC controls, On-Site Generator, Manual shutdown of industrial process, lighting, etc.
- DR is set up to coordinate between retail electricity cost savings and wholesale market revenue
 - Load reductions for retail savings are typically not eligible for wholesale market revenue
 - Capacity market – PLC (separate peak shaving from wholesale market DR activity)
 - Energy market – CBL to reflect forecasted load (based on what would occur absent wholesale market participation).

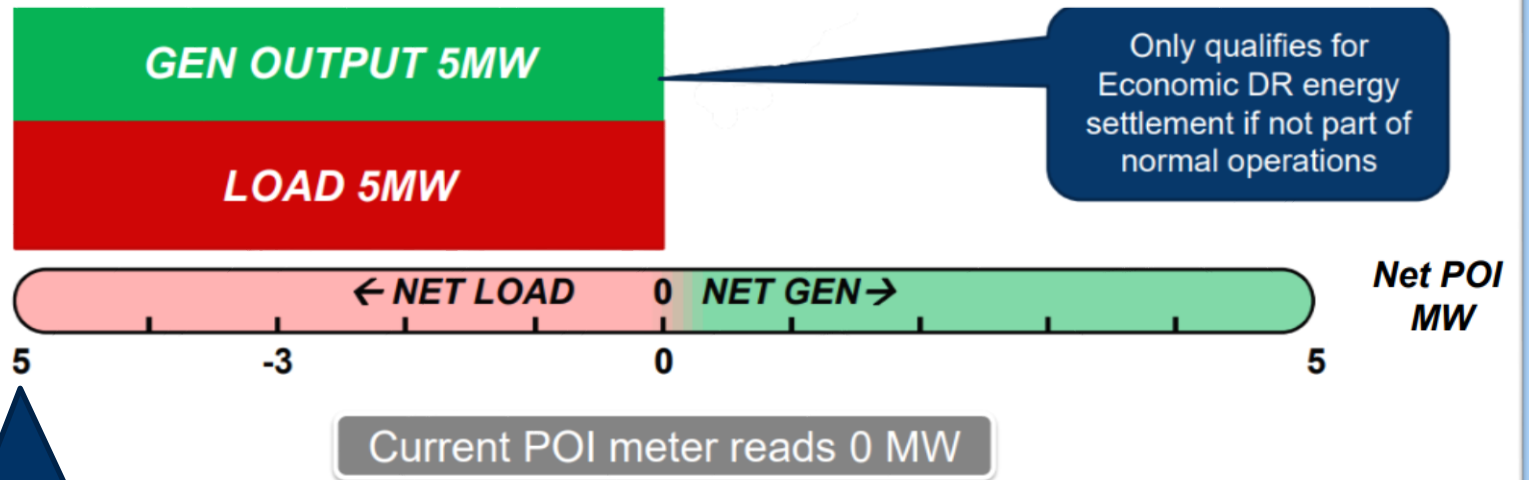
- CSP must accurately complete required DR Hub information for On-Site Generation (as identified on next slide)
 - This information is captured for each location before it is registered as Economic DR or Emergency/Pre-emergency DR
 - Generator type, Nameplate, PJM WMPA/ISA, etc.
 - Only load reductions from generator output that would not have otherwise been operating are eligible for Economic DR energy settlements

- CSP may only submit registration if CSP has all appropriate environmental permits. By virtue of submitting a registration, CSP represents that CSP has validated that customer has all appropriate environmental permits
 - Necessary permits must be in place before effective date on registration – if the CSP has not received the necessary permits prior to indicated effective date, then CSP must terminate such registration before effective date

Use Case 1 – On-Site Generator used to reduce load in the energy market

Generator used to reduce all load for the wholesale market as DR

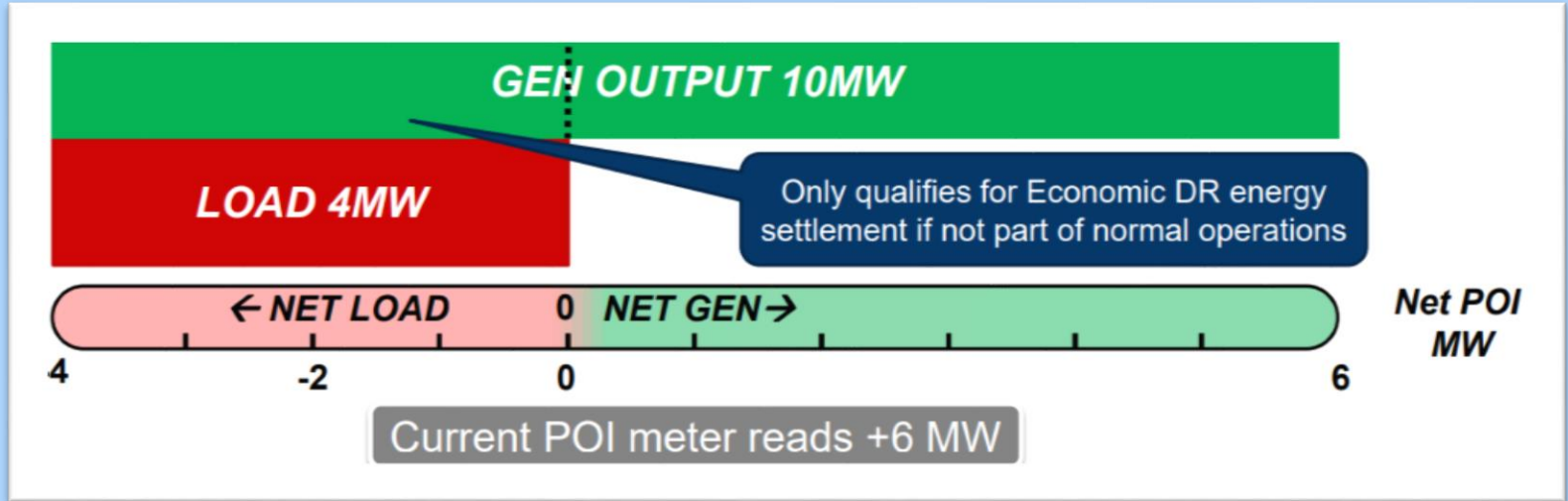
May be eligible for 5 MW in the wholesale market for DR resource load reduction



CBL - load = energy reduction
PLC – load = capacity reduction

Use Case 2 – Generator used to reduce load and inject onto transmission/distribution system

Rare situation today



Generator used to reduce AND inject (approved through PJM queue)

Modelled as 2 resources: DR Resource (<=4 MW) and Gen Resource (<=6 MW)

Tariff and manuals clarified for this use case in late 2018/early 2019 (DERS effort)

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MIC Special Session - Behind the Meter Generation Business Rules on Status Changes



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