



Critical Natural Gas Infrastructure as DR in the PJM markets

MIC

October 6, 2022

- Problem Statement and Issue Charged endorsed by MIC at March 2022 meeting
- Feb. 2021 cold weather event in Texas and South Central U.S.
- NERC/FERC report published on 11/16/21
 - <https://www.ferc.gov/media/february-2021-cold-weather-outages-texas-and-south-central-united-states-ferc-nerc-and>
- Key Recommendation 1h: To require Balancing Authorities' operating plans (for contingency reserves and to mitigate capacity and energy emergencies) to prohibit use for demand response of critical natural gas infrastructure loads. (Winter 2023-2024)
- Critical Natural Gas Infrastructure loads participation in PJM markets will be impacted (starting winter 2023/24)
- NERC standards are a work in progress

- OATT & OA
 - Definitions
 - Attachment K, Appendix Section 8.2 (and parallel provisions of OA, Schedule 1, section 8.2) - Participant Qualifications
 - Attachment K, Appendix Section 1.5A (and parallel provisions of OA, Schedule 1, section 1.5A) – Economic DR Participation
- OATT, RAA & OA
 - Tariff, Attachment DD-1 (and parallel provisions of RAA, Schedule 6) – Officer Certification and unrelated MOPR cleanup item in same document that we are revising
 - RAA, Schedule 6.1.B – PRD shall not include CNGI
- Manual 11
 - Section 10.2.2 – registrations shall not include CNGI
- Manual 18
 - Attachment C – DR Sell Offer Plan shall not include CNGI
 - Section 3A.3 – PRD shall not include CNGI

- Curtailment of electric load that will have significant impact on delivery of gas to gas-fired generation may not participate as DR. The definition also provides for any forthcoming NERC/FERC definition.
- CSPs with reliance on this type of load can use the 3rd Incremental Auction to adjust their position.

- Seek endorsement of manual language changes from MIC and MRC (October and November)
- Seek approval of governing documents changes from MC (November)
- File governing document revisions with FERC (January)
- Anticipate FERC approval by March, in time for (2023/2024 3IA)

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