

Non-capacity market opportunities for seasonal Demand Response resources

Includes Problem/Opportunity Statement

Issue Source

A commitment to continue stakeholder discussions on seasonal resources was noted in PJM's enhanced aggregation filing (November 17, 2016; ER17-367-000). PJM Staff is bringing this problem/opportunity statement and issue charge to stakeholders for consideration.

Stakeholder Group Assignment

Demand Response Subcommittee, Seasonal Capacity Resources Senior Task Force, or new senior task force.

Key Work Activities

1. Review analysis conducted by PJM's Resource Adequacy department which projects the impact of peak shaving resources on the load forecast used in RPM.
 - a. As applicable, recommend alternative assumptions and/or modified analysis procedures.
2. Education and discussion on specific Demand Response resource types or specific market rules that prevent participation in RPM.
3. Education and discussion on Demand Response resources that have the capability to reduce load on peak days at the direction of PJM.
4. Explore non-capacity wholesale market mechanisms to value Demand Response resource flexibility for those resources that may not be able to clear in the capacity market.

Expected Deliverables

1. Report to MRC on discussion and any proposed solutions to value seasonal Demand Response resources outside of RPM or through PJM's load forecasting processes.
2. If necessary, manual and/or tariff language associated with any approved proposals.

Expected Overall Duration of Work

12 months

Decision-Making Method

Preferred: Tier 1, consensus (unanimity) on a single proposal