

Planned Demand Resources: Request to Offer into RPM Auctions

Providers of Planned Demand Resources that include **Direct Load Control projects or other large-scale Demand Response implementations** must provide a timeline by **March 20, 2009** (45 days prior to the Base Residual Auction) that includes the key milestones that demonstrate to PJM's satisfaction that the Planned Demand Resources will be available for the start of the Delivery Year.

All Planned Demand Resources are subject to the RPM Credit Requirement, and must post the applicable credit by **April 24, 2009** prior to the start of the Base Residual Auction. All new Demand Resources must be modeled and have capacity assigned through a Demand Resource Modification transaction no later than **5:00 PM on Friday, May 1st** to be eligible to offer into the 2012/2013 Base Residual Auction.

Submit the following information as applicable to RPM_Hotline@pjm.com.

1. Project Description/Summary

- Company name
- Project name
- Submission date
- Company address and contact information
- Project goals
- Demand Resources Application – how it reduces demand during defined Performance Hours
- Location of DR Resource (Transmission zone)
- Anticipated Nominated Value of DR Resource (adjusted for EDC loss factor)

2. Schedule

- Timeline for equipment installation, customer aggregation, and Measurement and Verification activities.

3. Load Research to Estimate Value of Direct Load Control

- Equipment to be used for load control
- Equipment standards
- Measurement and Verification Approach
- Baseline and post-installation assumptions that affect demand reduction

See reference "Deemed Savings Estimates for Legacy Air Conditioning and Water Heating Direct Load Control Programs in PJM Region", Final Report, RLW Analytics, March 2007.

<http://www.pjm.com/~media/documents/reports/20070406-deemed-savings-report-ac-heat.ashx>

4. Description of Firm Service Level and Guaranteed Load Drop Programs

See PJM Manual 19 "Load Forecasting and Analysis" that describes these programs and how load reduction is estimated. <http://www.pjm.com/documents/~media/documents/manuals/m19.ashx>

Participation in RPM Auctions

Upon PJM review of the submitted DR Plan, PJM will create individual DR resources in each requested zone. After confirmation is received by the participant that the resources were created, the participant should:

- Enter DR Modification transactions in eRPM to assign the nominated MW value to each individual resource.
- Post appropriate funds to satisfy the RPM Credit Requirement (for more information see Section 4: Supply Resources in the Reliability Pricing Model in Manual 18).

After the credit has been confirmed, PJM will Provisionally Approve the DR Mods. After the transactions are provisionally approved and the Auction window has opened, the available capacity activated in your account will be eligible to be offered into the Auction.