

Load Management & Price Responsive Demand (PRD) Test requirement changes

MC webinar

December 2nd, 2019

Pete Langbein

Avoid unnecessary testing

Test only required when there is no event

1 test per year per customer
-zones tested in different seasons over time

Balance “real life” test with cost

PJM directed test
Test hour unknown in advance
Test year round (weekday/11-6pm)

Re-test/Do-over for unforeseen issues

Advanced notification to prepare and schedule maintenance
(2 week, day ahead, lead time)

Energy market compensation

Direct/simple energy market compensation

Self schedule (price taker) to avoid uplift

MRC endorsed by acclamation with 1 objection and 1 abstention.

Test Score greater than 75%

- CSP scheduled retesting

Test Score 75% or lower

- PJM scheduled retest

Registrations that individually scored $< 100\%$ can be included in retest

- Test Compliance
 - 1. OATT Attachment DD.11A, DEMAND RESOURCES TEST FAILURE CHARGE
 - Detailed Load Management/DR test provisions.
 - 2a. RAA Schedule 6, PROCEDURES FOR DEMAND RESOURCES AND ENERGY EFFICIENCY, Sections H and K
 - Eliminate reference to “CSP” initiated test.
 - 2b. OATT DD-1- Load management (this is same at RAA Schedule 6)
 - 3a. OATT Attachment K Appendix Section 8.9, Reporting and Compliance
 - Eliminate reference to “CSP” initiated test
 - 3a. OA Schedule 1, Section 8.9, Reporting and Compliance (this is same as OATT section 8.9)
 - 4. RAA Schedule 6.1 PRICE RESPONSIVE DEMAND
 - Detailed PRD test provisions
- Test Energy Settlements
 - 5. OA Schedule 1 section 8.8 – Market Settlements
 - Energy settlement revenue and cost allocation for test
 - 5a. OATT Attachment K-Appendix section 8.8 – Market Settlements (this is the same as OA Schedule 1, section 8.8)

Load Management Testing Requirements - Work Plan (2019-2020)

Detailed Work Plan	Feb (2019)	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan (2020)	Feb
Provide Education - DRS	27th	28th											
Document Interests - DRS	27th	28th											
Develop Components - DRS		28th	24th										
Develop Component Options - DRS		28th	24th	28th	19th								
Develop Packages - DRS				28th	19th								
Build Consensus				28th	19th	23rd	13th	5th	2nd				
DRS Vote						23rd							
First Read @ MIC							7th						
Vote @ MIC								11th					
First Read @ MRC								26th					
Vote @ MRC									31st				
Vote @ MC										No MC Mtg	5th		
PJM Board												No Board Mtg	x
FERC Filing													x
New rules effective												2023/2024 Delivery Year	

- Test status quo
- Issues with status quo
- Key stakeholder interest
- Example timeline for proposed test

- Test only required if customer was not deployed for Emergency conditions
- CSP/PRD provider determines when to test
- Summer only
- 1 hour
- Unlimited Test and Re-Test (if zonal compliance is $>75\%$ then customers that did not perform can be retested to improve score)
- Customer performance aggregated by zone
- No direct way to receive energy market compensation during test

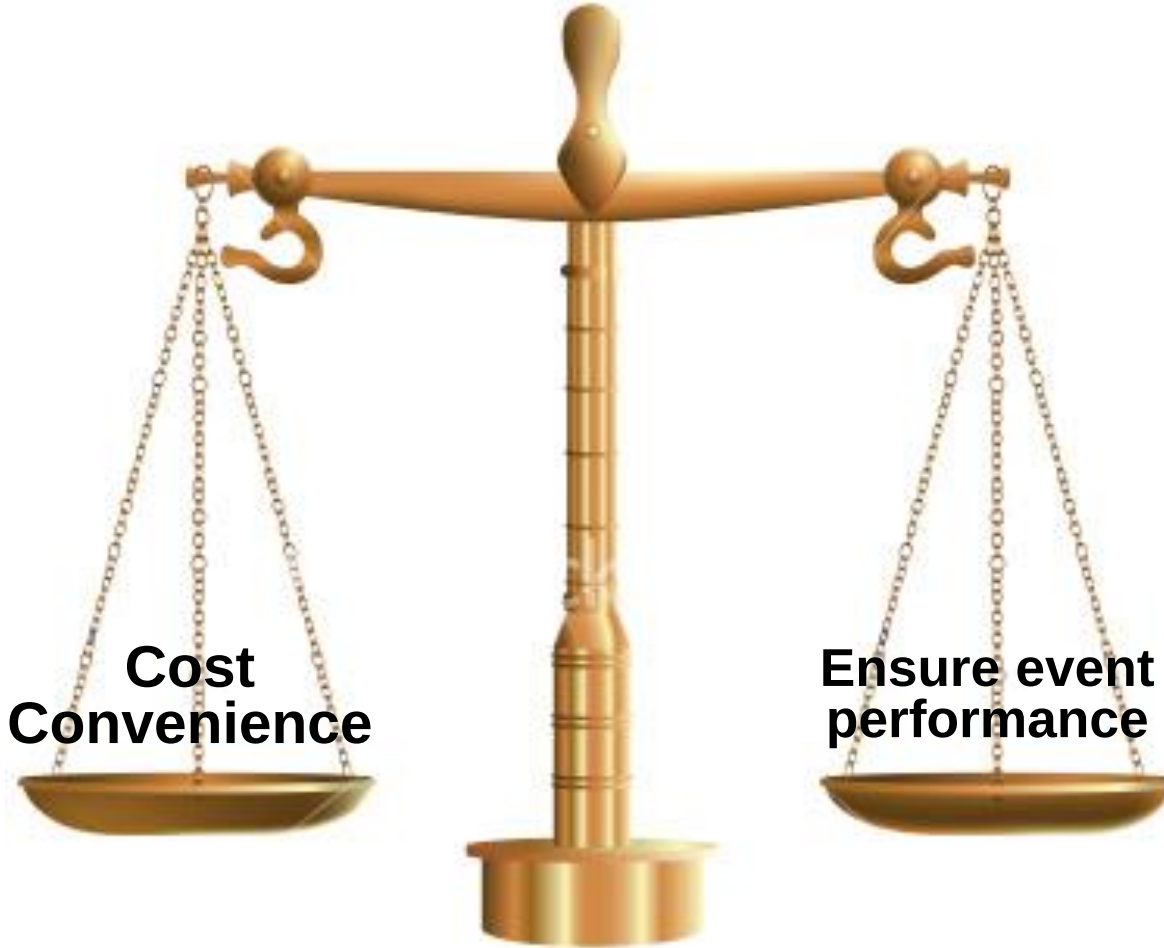
Load Management is Emergency and Pre-Emergency DR (capacity commitment)

- Tests do not reflect event conditions
 - Easier to perform during a test than an event because customer is notified of the test well in advance plus have unlimited “Do-Overs”.
- Test period based on phased out DR products:
 - Limited DR (summer only, limited days/hours) was replaced with CP (annual, unlimited days/most hours)
- Load Management & PRD are rarely required to reduce load
 - Low Frequency, High Impact event

Load reduction capability under variety of conditions is not known

Known test time
in advance,
easy to prepare

**Cost
Convenience**

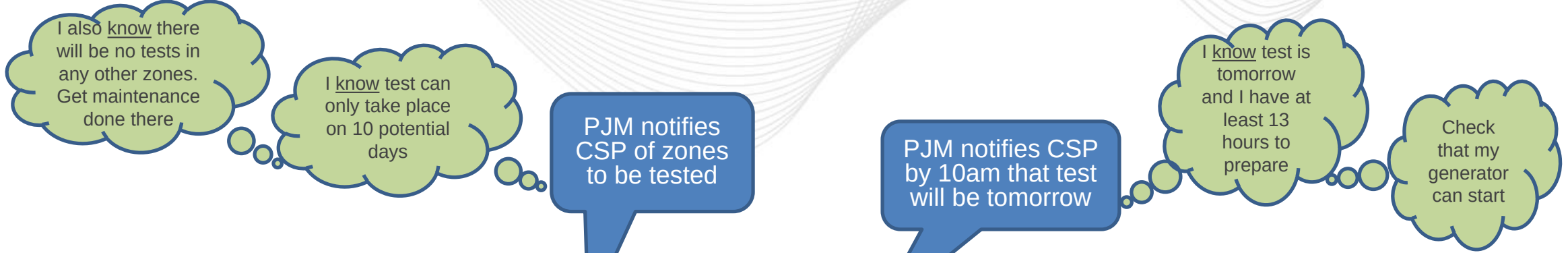


Less-
notification,
similar to an
event

**Ensure event
performance**

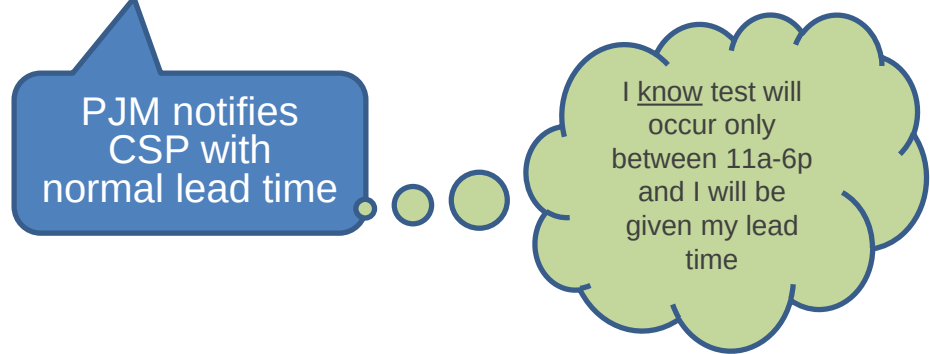
Actual events are not very predictable and require CSPs to be ready for events that do not occur.

Example PJM 1a' Test Cycle



July

		7/1/2019	7/2/2019	7/3/2019	7/4/2019	7/5/2019	7/6/2019	7/7/2019	7/8/2019	7/9/2019	7/10/2019	7/11/2019	7/12/2019	7/13/2019	7/14/2019	7/15/2019	7/16/2019	7/17/2019	7/18/2019	7/19/2019	7/20/2019	7/21/2019	7/22/2019	7/23/2019	7/24/2019	7/25/2019	7/26/2019	7/27/2019	7/28/2019	7/29/2019	7/30/2019	7/31/2019
Potential Test Days																X	X	X	X	X			X	X	X	X	X					
Actual Test Day																		X														



Each zone tested one day per year for 2 hours.