Calculation of Winter Peak Load (WPL) For Curtailed Load Sites

Issue Source

As part of a detailed review of the upcoming changes that will be occurring to Demand Response (DR) to transition to a 24-hour product, Curtailment Service Providers identified a high probability that load sites will be curtailed in the hour that PJM will use to calculate the WPL. This curtailment was observed in the 2025/2026 winter peak period.

This issue was brought to PJM's attention in September 2026 and discussed with Staff as a potential unintended consequence of DR becoming a 24-hour product and changing the approach for determining the Winter Peak Load, including unforeseen and frequent economic load response curtailment for some customers during the winter period.

Issue Content

In 2025, PJM and stakeholders worked through a collaborative process to change annual Demand Response to a 24-hour product and modify the process for calculating Winter Peak Load. These changes are set to be implemented in Delivery Year 2027/2028, based on performance data from the previous 2 years.

When these changes go into effect, the Winter Peak Load for a site will be determined based on an average of the site's measured load over 5 critical winter days at a specific hour, currently HE9. Prior to DY 27/28, the WPL is an average of a customer's peak hourly demand measured between HE7 and HE21. Changing the WPL measurement to one specific hour has created an unintended consequence, specifically artificially low WPL if a site responds to a PJM dispatch during HE9 and curtails. This unintended consequence will encourage sites to not respond to a dispatch and avoid curtailing during HE9.

PJM Reliability Assurance Agreement and Manuals anticipate the need to remove atypical data from the calculation of the WPL average by allowing the exclusion of 2 days from the calculation if the load data deviates more than 35%. However, data from Winter Storm Elliot and DY 25/26 shows an increasing correlation between days that sites curtail and winter peak days, such that the 2 day / 35% exemption is no longer adequate, particularly now that WPL is calculated in one specific hour of the day.

Key Work Activities and Scope

1) Education on Winter Peak Load approach and the impact of changes approved by stakeholders in 2025.

2) ~~Change~~Review the definition of Winter Peak Load starting in DY 2027/2028 to ~~ensure~~address whether sites that are frequently dispatched during winter hour ending 0900 are ~~not penalized~~experiencing WPL erosion for responding to a PJM dispatch in prior years.

3) Out of Scope areas include:

a. Changes to Annual Demand Response participation hours, or products.
b. Change to performance measurement methods

Expected Deliverables

Changes to Manual 18, Section 4.3.7 and RAA definitions.

Corresponding revisions to the PJM Tariff or other governing document provisions consistent with the solution proposed will be brought to the MRC and MC for review and endorsement. Proposed revisions to PJM Manuals conforming to the FERC approved solution will be brought to the appropriate Standing Committees for review and endorsement.

Decision-Making Method

Tier 1, consensus (unanimity) on a single proposal.

Stakeholder Group Assignment

Work to be performed within MIC meetings under the CBIR Lite process.

Expected Duration of Work Timeline

Complete work at the MIC and bring up for vote at the MRC and MC within 3 months to initiate a solution ahead of the 27/28 Load Management Registration season.

Start Date	Priority Level	Timing	Meeting Frequency
Click here to enter a date.	☐ High	☒ Immediate	☐ Weekly
	☒ Medium	☐ Near Term	☒ Monthly
	☐ Low	☐ Far Term	☐ Quarterly

Charter

(check one box)

☐	This document will serve as the Charter for a new group created by its approval.
☒	This work will be handled in an existing group with its own Charter (and applicable amendments).