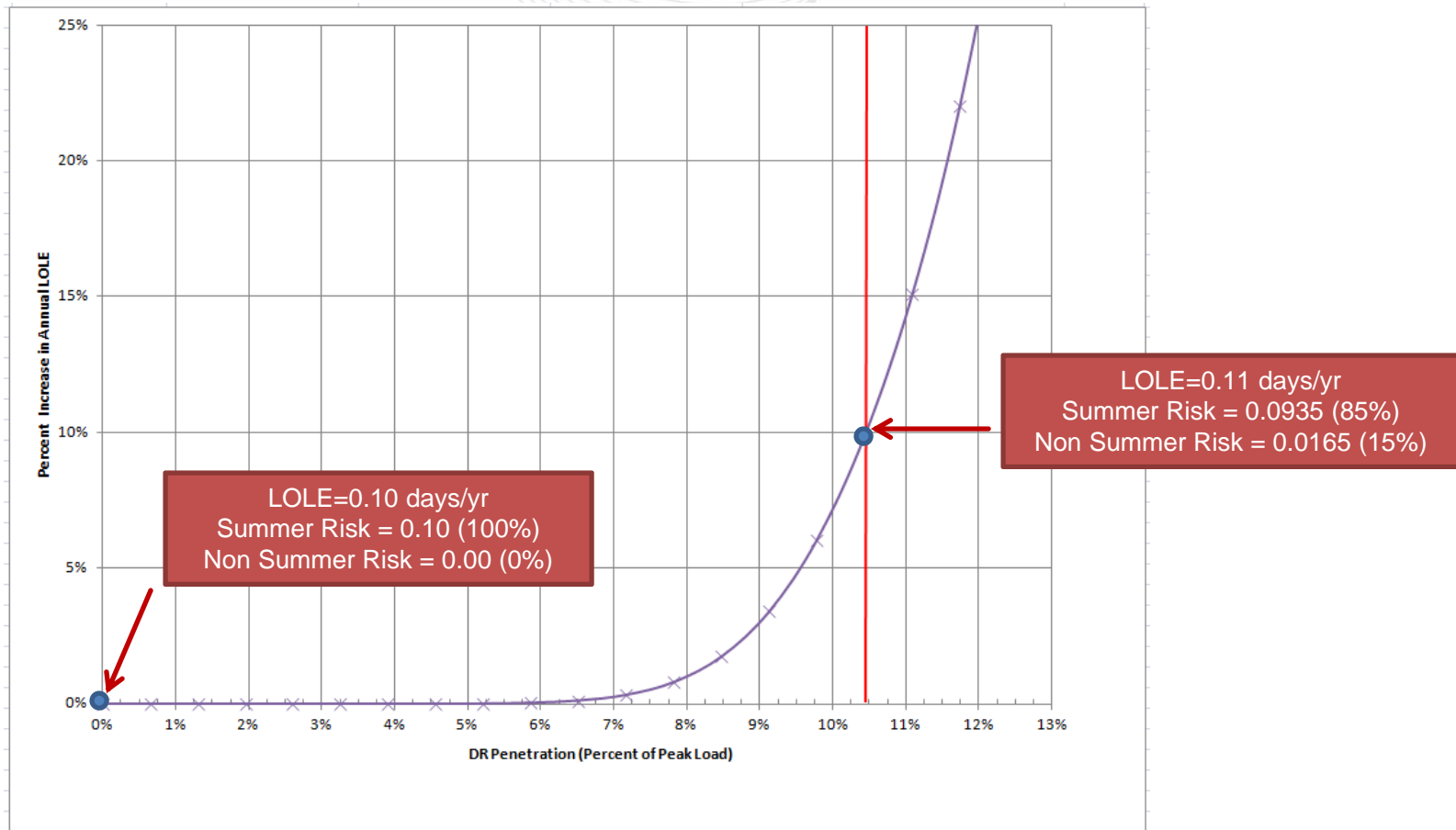




Limited and Extended Summer Demand Response Targets

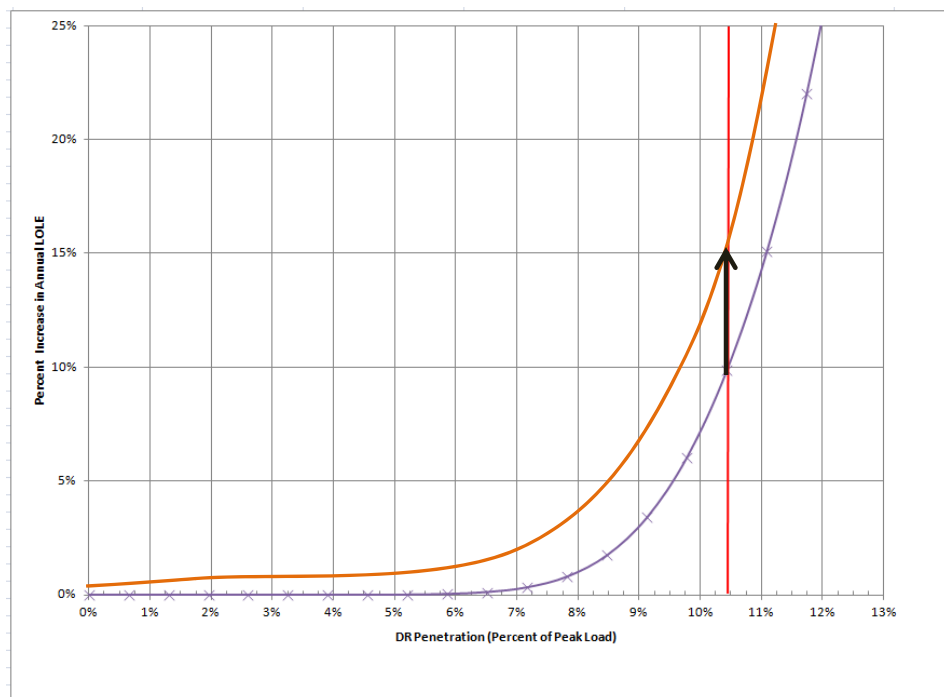
**Additional analysis requested as part of the “Clearing of Limited DR” issue investigation
Capacity Senior Task Force
October 16, 2014**



By allowing ES DR up to the target (10.5%), PJM allows some of the LOLE risk (15%) to shift to the Non Summer Period (more specifically, January)

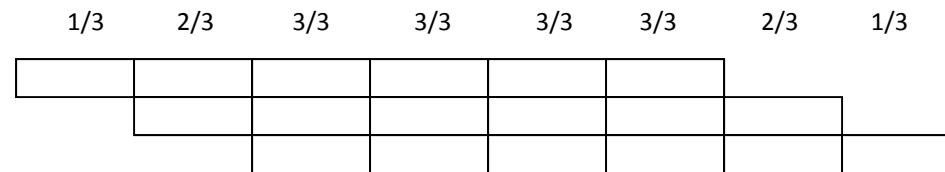
If X% of ES DR is replaced with Limited DR in the ES Target LOLE Case

Limited DR is a resource with a more restricted availability than Extended Summer DR



Therefore, for a 10.5% of DR resources, where X% is Limited DR and (10.5-X)% is ES DR, the increase in LOLE risk is higher than 10%.

- Staggering the Dispatch of Limited DR increases the Limited DR Target as per Tests 1 and 2 (discussed in previous meeting)
 - If DR is dispatched throughout 8 hours in 1/3 increments



Test 1 yields a 6.5% Limited DR target.

- If DR is dispatched throughout 7 hours in 1/2 increments.

Test 2 yields a 6.3% Limited DR target.

- The current Limited DR Target value (~5%) already accounts for an increase of 10% in the annual LOLE risk with respect to the IRM base case. A Limited DR Target above this value will increase the total LOLE beyond the 10% threshold



Appendix – post-meeting information request (10/21)

The following are additional scenarios for Item 2 in the accompanying DR Reliability Target Whitepaper presented at the CSTF on 10/16.

	Excess Resources		
Scenario	Quantity	Type	LOLE
1.A	1%	Annual	0.075
1.B	1%	ES	0.082
2.A	2%	Annual	0.050
2.B	2%	ES	0.062
3.A	3%	Annual	0.034
3.B	3%	ES	0.048
4.A	4%	Annual	0.023
4.B	4%	ES	0.038
Quantity: as % of 50/50 peak			
LOLE measured in days/year			