

## DR Fast Start Resources

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- Fast start resources are those with a notification time and minimum down time of less than
  or equal to one hour.
- Fast start capable resources will include shutdown cost in setting LMP (Composite Offer = Incremental Offer + Amortized Shutdown Cost).
- If the CSP inputs shutdown cost, then the CSP should verify the cost with end use customer and have associated documentation on file.
- The CSP must notify PJM of verified Shutdown Cost and provide associated support in order to be used in the Composite Energy Offer > \$1,000/MWh for price formation.
  - CSP can check which hourly composite offers exceed \$1000 on Composite Offer Verification tab, which becomes available instantly after offers are placed on Hourly Updates tab.
- Column called "Shutdown cost valid" on Composite Offer Verification tab indicated whether shutdown cost entered is verified by PJM (yes is verified). Only offers with "verified = yes" will be used in setting LMP. If "verified = no" then shutdown cost will not be included in setting LMP.
- Offer verification process for incremental offers >\$1000 remains unchanged.



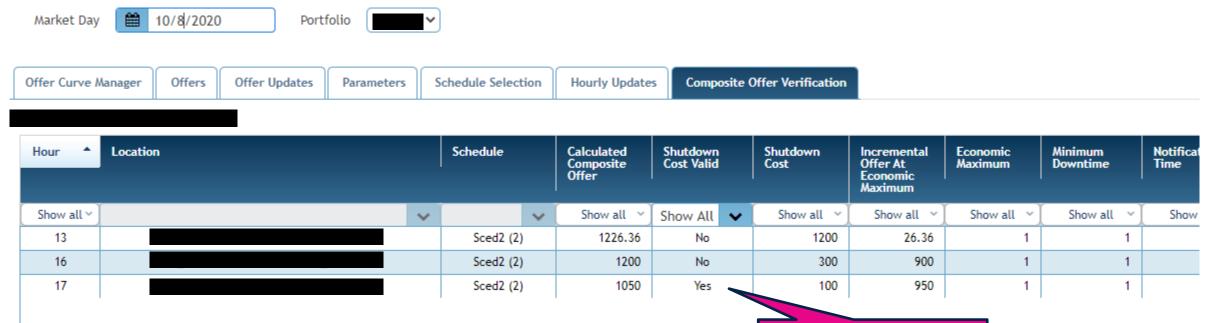
## Composite Offer >\$1000 Verification Example

For example, CSP verifies shutdown cost of \$200 with the customer and notifies PJM.

HE 13: CSP entered shutdown cost \$1200 and incremental offer \$26 for 1MW. Composite offer >\$1000, Shutdown cost >\$200 – not valid. Offer is not used to set LMP

HE 16: CSP entered shutdown cost \$300 and incremental offer \$900 for 1MW. Composite offer >\$1000, Shutdown cost >\$200 – not valid. Offer is not used to set LMP

HE 17: CSP entered shutdown cost \$100 and incremental offer \$950 for 1MW. Composite offer >\$1000, Shutdown cost <\$200 – valid. Offer \$1,050 is used to set LMP



\$1050 will be used in setting LMP