

Peak Load Contribution (PLC) review

Problem / Opportunity Statement

In order to gain a clear understanding of the issues assigned to the CSTF, this sub-problem statement should be used to understand the following bullet from the [DR Issue Charge](#).

“Interaction of Peak Load Contribution (“PLC”) with end-user RPM cost assignment and DR Resource RPM revenue, and implication to DR resource auction participation.”

The following three problems should be addressed in relation to the above bullet from the main issue charge:

- A. Customer PLC Risk - Customer wants to be fully interruptible but does not know their PLC three years in advance of Base Residual Auction (BRA).
- B. PLC accuracy - Customer load changes (growth or decline) are not incorporated in PLC until approximately one year later.
- C. Review accuracy and transparency of, and potential alternatives to, PLC for the purpose of establishing the contribution of each customer level registered demand response resource to the PJM system reliability requirement.
 1. Review if there are circumstances under which the PLC is not the appropriate means by which the maximum registration amount is determined at the customer level, for some or all customers.
 2. Review will include whether an adjustment to, or replacement of, the PLC is necessary to better establish the maximum some or all customers may enroll in DR.
 3. If the adjustments, or replacements, to the PLC are determined appropriate in some or all customer circumstances, address any and all necessary changes to measurement & verification rules, and planning parameters.

Issue Source

This issue originated from longer-term RPM related issues identified subsequent to the 2011 RPM related stakeholder activities.

Stakeholder Group Assignment

Recommendation: Demand Response Subcommittee

Key Work Activities

The group will identify specific recommended changes to RPM rules and if directed by the MRC, will produce proposed Tariff, Reliability Assurance Agreement and Manual revisions to implement such revisions.

Expected Deliverables

The group will identify specific recommended changes to RPM rules related to PLC issues, and if directed by the MRC, will produce proposed Tariff, Reliability Assurance Agreement and Manual revisions to implement such revisions.



Problem Statement- Option 2

Expected Overall Duration of Work

Determine if any changes are necessary by 12/01/2013. If changes are necessary, these changes are expected to be completed by 07/1/2014 to support FERC filing and approval prior to the 2018 Base Residual Auction.

Decision-Making Method

Stakeholders will seek Tier 1, consensus (unanimity) on a single proposal (preferred default option), or if not able to reach consensus, Tier 2, multiple alternatives.