



MINUTES
PJM Interconnection
Demand Response Subcommittee (DRS)
June 4, 2013
9:30pm – 4:00pm (EPT) PJM, Webex/conference call

1. ADMINISTRATION

- a. There were no comments on the minutes for the 5/1/13 meeting.
- b. The following future DRS meetings were established:
 - i. Monday, June 17, 2013 9:00 am to 12:00 am Webex, conference call, Peak Load Contribution Review. This Webex will be cancelled if members do not have specific circumstances when an alternative process to PLC should be considered to discuss at this meeting
 - ii. Monday, Sep 16, 2013 Valley Forge PA CTC (9:30 am – 4:00 pm)
- c. Brief update/discussion of DR related activity in other stakeholder groups :
 - i. CSTF – Comparability of DR and Generation is in the education phase.
 - ii. MRC – New problem statement endorsement scheduled for next meeting on making DR resources more operational.
 - iii. OC – Review of Synchronized Reserve closing the educational phase with interest identification next, PJMNet discussion of telemetry between PJM and Members with respect to what options are available.
 - iv. New issue statement will be created by PJM to clarify rules in the Manual for onsite generation when it has more capability when acting as an economic resource.

2. DR AS A FLEXIBLE TIER2 SR RESOURCE

Based on Member feedback, PJM investigated and is taking steps to allow DR to be a Flexible Tier 2 resource. Although no Manual or Tariff changes are needed, a system enhancement was made. This change to eMKT is now in the eMKT Sandbox. A flag was added to the Synchronized Reserve Offer page for demand on resources which will allow CSPs to designate if DSR are available as flexible Tier 2 on a daily basis. The mechanism that will be used to inform CSPs of their Tier 2 assignments is under consideration.

3. PJM INTERNET DNP SCADA

This year, PJM plans to commission a new EMS interface for resources < 100 MW and communicating over the Internet to a new security architecture. The new security layer will use certificate-based security (SSL) instead of a pre-shared secret key system. The chosen certificate authority is OATI and each member will need to obtain an OATI certificate if they don't already have one. The new system will be available for use in the last quarter of 2013,

however migration of links from the present system will be a gradual process over the next 2 to 3 years. Other remote gateway products besides Director will be offered, increasing options as the architecture expands.

4. EFFICIENCY OF DR REGISTRATION PROCESS

PJM presented the change to remove the LSE role completely from the Emergency Registration review process. Tariff language is available to review and the Manual 11 changes will be available shortly. A discussion of this change and its implications clarified the following: 1) The LSE will not be identified on an emergency registration and therefore the LSE will not be notified of the registration 2) Emergency event notification is available to everyone on PJM Emergency Messages. 3) event notification in eLRS was designed to provide CSPs instructions.

Results of the straw poll on entirely removing LSE role from economic registration review process were shared by PJM. The results revealed that a consensus could not be reached on removing the LSE entirely, although there was strong support for doing so. One concern is the negative dec placed for the LSE is still helpful to some LSEs, even though it has been proven to be inaccurate due to the real-time reduction not matching the offer or the wrong LSE is listed on the registration. Other options discussed are 1) taking the LSE out of the approval process but leaving them on the registration for information only 2) allow the EDC to identify when the LSE changes 3) only do negative dec for registration over 1 MB. Members were asked to identify their support for the current Proposal Matrix 2 option, which are administrative changes that could be implemented if the LSE role remains the same as current in the economic registration review process. None were supported except having the LSE identified on registrations that participate in the DA market.

Next steps are to complete the Manual 11 changes for the emergency registration review process and consolidate the discussion on economic registration review into specific proposals. These proposals will be discussed at the next meeting with the target of presenting them to the MIC at the next opportunity.

5. BREAK

6. UPDATE ON ELRS SOFTWARE ENHANCEMENT SCHEDULE

A major functional enhancement to eLRS is expected to be delivered in June and is targeted to be in the Sandbox by the end of June if not earlier. The enhancements include 1) Electronic Notification – emergency events and Synchronized Reserve events as well as a RT Dispatch will be available. 2) CSPs will be able to upload Emergency Expected Reduction (Shortage Pricing) spreadsheets through Meter Management in the UI 3) new Location data collection fields will be available 4) Emergency energy settlement M&V changes.

CSPs will need to make updates to their location data by September. They will also need to modify Web Services software that performs location creation or updates. PJM has suggested these enhancements be available in the Sandbox for 2 weeks before releasing to production. CSPs are encouraged to provide feedback on this schedule if needed.

7. MONTHLY DEMAND RESPONSE ACTIVITY REPORT REVIEW

PJM presented the April 2013 activity report and highlighted 3 new tables on pages 20, 22 and 22. The tables are economic zonal allocation charges. The entire year is shown for historical purposes but going forward it will only be for the appropriate timeframe.



8. MEASUREMENT AND VERIFICATION FOR VARIABLE DR ECONOMIC RESOURCES

PJM reviewed the target scores for this analysis (>20 and <=30% RRMSE score) and the current alternative CBLs for variable loads – MBL, 3+2 and 7 Day Types. Since last meeting, PJM has evaluated Inter-day variations of 3 day type, 5 day type and 7 day type. The 7 day type required a lot of data, so the 5 day type was added which uses more current data. Intra-day variation was also evaluated which looks at the last couple of days during event hours and takes an average. ARIMA models were added to the evaluation.

For the analysis test set, PJM identified 115 registrations which had RRMSE scores of 20-40%. The test set was run through 20 CBLs both current and proposed. The results showed that 3 new CBLs (3+2, 3 Day type no usage threshold, 7 Day type no usage threshold) were predictive of variable loads and it was proposed that these move forward as new alternative CBL types. The ARIMA CBL is still a work in progress but required a large amount of meter data and assumes economic DR resource will not settle on a frequent basis.

Other ideas for measuring variable loads included getting operational schedules from the CSP and having large loads identify specific actions that would predict a load drop. PJM mentioned that this type of approach has not been successful in the past because normal operations may be significantly different than initial plans.

PJM will request endorsement of alternative CBLs for variable loads at the next DRS meeting.

9. LUNCH BREAK

10. PEAK LOAD CONTRIBUTION REVIEW (ASSIGNED BY CSTF)

PJM advised the problem statement has been published and the timeline for this issue was reviewed. If more time is needed, a request can be made to the MIC. The 3 issues were reviewed again so it was clear which issues were being addressed. The prior rule change was also reviewed. PJM presented education on Issue #3 PLC Alternatives: timing issues including RPM auctions, the 5 CP days, the emergency registration window and addbacks. Information was presented on UCAP Obligations, the scaling factor formula, the influence of different product types coming in and how compliance is currently measured.

Next steps: the June 17 Webex will be used to discuss issue #3 PLC Alternatives with specific circumstances identified prior to the meeting. If there are no circumstances identified or the attendance is minimal the meeting will be canceled. The next DRS meeting will be used to work on issue #1 Customer PLC Risk and #2 PLC Time Lag.

11. FUTURE AGENDA ITEMS

None were put forward.

12. FUTURE MEETING DATES

6/17/013	9:00 am to 12:00 am	Webex, conference call, Peak Load Contribution Review only
7/12/13	9:30 am – 3:30 pm	Valley Forge, PA, PJM CTC
8/14/13	9:30 am – 3:30 pm	Valley Forge, PA, PJM CTC