



Demand Response

Synchronized Reserve Market: Shutdown Costs

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Synchronized Reserve Market – Shutdown Costs

- Shutdown costs in Markets Gateway are used for energy and synch reserve market
- CSP that participates in synch reserve market are not allowed to include Shutdown Cost in Markets Gateway unless explicitly approved by PJM.
- CSP that would like to receive approval for shutdown cost must follow the protocol outlined in Manual 15, 8.1
 - Send email requesting 1.8 exemption along with supporting documentation to PJM (dsr_ops@pjm.com, Glen.Boyle@pjm.com)
 - Send email requesting review of shutdown cost under Cost Based Offer provision with supporting documentation to IMM (DemandResponse@MonitoringAnalytics.com).

CSP that include shutdown cost without permission from PJM may be referred to IMM and/or FERC Office of Enforcement for Investigation

Manual 15, 8.1 (Demand Resource Cost to Provide Synchronous Reserves)

- Demand Resource shutdown costs shall be zero. Any exceptions to this rule are covered under the Cost Methodology and Approval Process (section 1.8).

Manual 15, 1.8 (Cost Methodology and Approval Process)

- A Market Seller which seeks to obtain an exemption, exception or change to any time frame, process, methodology, calculation or policy set forth in this Manual, or the approval of any cost or methodology that is not specifically permitted by this Manual not related to the Fuel Cost Policy, shall submit a request to PJM and MMU for consideration and determination along with documentation supporting the request.
- After receipt of such a request, PJM and IMM will review the request and PJM will notify the Market Seller and IMM whether the request is approved no later than thirty (30) calendar days after submission of the request.
- This process shall be referred to in this Manual as the “Cost Methodology and Approval Process.”