

Manual 11: Energy & Ancillary Services Market Operations Section 10: Overview of the Demand Resource Participation

- The Dispatch Group economic event will be de-aggregated to the registration level settlements based on the registrations in the Dispatch Group early in morning the day after the operating day. The individual settlements are submitted by the CSP based on the normal registration level settlement process.
- The total reduction for the Dispatch Group is calculated once a day as the sum of all the reductions of the settlements. Once all of the settlements in the Dispatch Group reach their final state, the Dispatch Group load reduction is settled.
- The final state for a Dispatch Group economic settlement is achieved when all of the individual settlements within the Dispatch Group achieve the following status:
  - o All settlements in Dispatch Group are confirmed.
  - Prior to the 60th day after the event, the CSP may mark the Dispatch Group ready for settlement. No further updates to any settlements may be done in the Dispatch Group.
  - On the 61st day after the event and all settlements are either confirmed, withdrawn or expired.
  - The 75th day after the event has been reached, the Dispatch Group settlement will be sent to settlements regardless of the individual status of any settlements in the group
- Dispatch Groups that are cleared or dispatched will be evaluated at the Dispatch Group level when evaluating BOR. Deviations and BOR will be assessed based on the reduction of the Dispatch Group.
- Market Settlements will provide settlement report based on Dispatch Group(s) and not by registrations.

## 10.4.4 Economic Energy Settlements Cost Allocation

The cost of Economic Demand Response settlements will be allocated to all of the Market participants with real-time exports from PJM and LSE's within a zone where zonal LMP is greater or equal to the appropriate Net Benefits Price and as described in Manual 28.

## 10.4.5 Emergency and Pre-Emergency Energy Settlements

The CSP is responsible for providing all necessary information for each EDC account number unless otherwise approved by PJM for energy settlement. Locations with approved economic registration prior to a Load Management Event that have an economic CBL different than the maximum base load as defined in PJM Manual emergency or preemergency energy settlement submission-will use the associated economic CBL to determine the energy load reduction subject to the following:

- A registration that is already responding to a PJM economic event where the economic CBL is based on SAA will use a SAA period prior to economic and emergency or pre-emergency event.
- Locations that do not have an approved economic registration prior to <u>a Load</u> Management Event and have an economic CBL different than the maximum base



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<u>load</u> submission of emergency or pre-emergency energy settlement by the CSP-will use the <u>CBL</u> as defined in section 3.3A.2 and associated Symmetric Additive Adjustment as defined in section 3.3A.2, measured load the hour before the load reduction ("hour before CBL") as the CBL unless an alternative CBL is approved pursuant to section 3.3A.2.01 to determine the energy load reduction.

- Locations on economic registrations dispatched in the real time energy market or cleared in Day-Ahead energy market that are also included on an Emergency or Pre-Emergency full registration and have been dispatched as part of an emergency event for the same hour ("overlapping dispatch hour") will be compensated for energy based on emergency energy settlement and cost allocation rules as outlined in this section, and PJM manuals. Overlapping dispatch hours will use shutdown costbased on what was considered for the economic event and no balancing operating reserve charges will be assessed for deviations from real time dispatch amount or from cleared Day-Ahead amount. Overlapping dispatch hours for aggregate registrations (multiple locations on same registration) or Dispatch Groups where locations on Emergency or Pre-Emergency registration are not the same as locations on the economic registration will have hourly economic energy load reduction with associated cleared Day-Ahead or real time dispatch amount and/or hourly emergency energy load reduction prorated based on load reduction capability provided by the Curtailment Service Provider for the location to avoid duplicative energy payment and appropriate balancing operating reserve charges, as applicable.
- Emergency and Pre-Emergency registration dispatched by PJM for less than 1 hour will be eligible for compensation for 1 hour (ie: minimum run time is 1 hour)
- The Curtailment Service Provider will only submit energy settlements for Load Management Events that occur outside the product specific availability period as defined for each product specified in the Reliability Assurance Agreement if the Curtailment Service Provider has confirmed that the registration did take action to reduce load or the registration reflects the entire group of mass market customers for which an energy settlement will either be submitted for all or none of the mass market customers, as approved by PJM. Curtailment Service Provider confirmation may include email, voicemail, letter or other form of confirmation that indicates the registration took actions to reduce load in response to PJM dispatch. The Curtailment Service Provider will only submit energy settlements for each registration for Load Management Events that occur during the product specific availability period as defined for each product in the Reliability Assurance Agreement if the Curtailment Service Provider also provides associated load data for each registration in order to calculate that registration's capacity compliance.

## 10.4.6 Emergency and Pre-Emergency Energy Settlements Cost Allocation

• See Manual 28, section 10.2 for cost allocation rules.

## 10.5 Aggregation for Economic and Emergency Demand Resources

The purpose for aggregation is to allow the participation of end-use customers in the energy market that can provide less than 100 kW of demand response when they currently have no alternative opportunity to participate on an individual basis or can provide less than 100 kw