



Critical Natural Gas Infrastructure as DR in the PJM markets

Demand Response Subcommittee
June 2, 2022

- Feb. 2021 cold weather event in Texas and South Central U.S.
- NERC/FERC report published on 11/16/21
 - <https://www.ferc.gov/media/february-2021-cold-weather-outages-texas-and-south-central-united-states-ferc-nerc-and>
- Key Recommendation 1h: To require Balancing Authorities' operating plans (for contingency reserves and to mitigate capacity and energy emergencies) to prohibit use for demand response of critical natural gas infrastructure loads. (Winter 2023-2024)
- Critical Natural Gas Infrastructure loads participation in PJM markets will be impacted (starting winter 2023/24)
- NERC standards are a work in progress
- MIC approved Problem Statement and Issue Charge

PJM discussed at DRS and worked with CSPs to identify CNGI loads

- Critical Natural Gas Infrastructure may not participate as a DR capacity resource (“Load Management”)
- Create transition mechanism for members with capacity commitments relying on CNGI
 - Similar to what was done when new capacity products were introduced

- What is “Critical Natural Gas Infrastructure”?
 - Critical natural gas infrastructure loads are natural gas production, processing, intrastate and interstate transmission and distribution pipeline facility electrical loads as defined by NERC/FERC standard(s); and until such standard(s) is developed is defined as, 1) electric loads which if curtailed, will significantly impact the delivery of natural gas to bulk-power system natural gas-fired generation, or; 2) electric loads that are protected from manual and automatic load shedding as determined by the transmission owner.

- Discuss solutions
- Develop governing document language
- Take through the stakeholder approval process
- File with FERC (as needed) by December