



# Interconnection and Demand Side Considerations

Presented to the  
Illinois Commerce Commission  
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PJM interconnection process helps facilitate Wind Energy and small renewable projects.



1. PJM has a codified and transparent Interconnection process
2. Expedited procedures for generators that are less than 20 MW
  - Common Technical Standard
    - 2 MW and below completed
    - 2MW to 10MW in process

## **EMERGENCY**

**Designed to provide a method by which end-use customers may be compensated by PJM for voluntarily reducing load during an emergency event.**

## **ECONOMIC**

**Designed to provide an incentive to customers or curtailment service providers to reduce consumption when PJM LMP prices are high**

**Two options:  
Day Ahead Option  
Real Time Option**

## EMERGENCY

### 2002

- ◆ 61 New Registered Sites
- ◆ 548 MWs

### 2003

- ◆ 107 New Registered Sites
- ◆ 111 Additional MWs

### 2004

- ◆ 4,147 New Registered Sites
- ◆ 1,124 Additional MWs

### 2005

- ◆ 0 New Registered Sites
- ◆ 0 Additional MWs

## ECONOMIC

### 2002

- ◆ 116 New Registered Sites
- ◆ 337 MWs

### 2003

- ◆ 129 New Registered Sites
- ◆ 387 Additional MWs

### 2004

- ◆ 1,784 New Registered Sites
- ◆ 1,395 Additional MWs

### 2005

- ◆ 0 New Registered Sites
- ◆ 0 Additional MWs

- Emergency Program: Active Sites: 4,301 / Total MWs: 1,783 MWs
- Economic Program: Active Sites: 2,023 / Total MWs: 2,119 MWs
- Total Program: Total Active Sites: 6,324 / Total MWs: 3,902 MWs
- Last updated: 1-6-05

- Forward Energy Reserve (“FER”) product
- Emergency Load Response Enhancements
- DSR sub model – Reliability Pricing Model
- DSR as reserves (spinning and regulation markets)

## Forward Energy Reserve (“FER”):

- Denominated in 1 MW increments and 60 MWh per year or 5 MWh per month
- Cleared in annual, multi-month, and/or monthly auctions
- Paid a market clearing price consisting of a “call premium” and the “strike price”
- Exercised in Day Ahead
- Transition to a firm entitlement to a specified demand level