



### Peak-Shaving Plan Shortfall Calculation

*The calculation for the shortfall MW defined in Manual 19, Attachment D: Peak Shaving Adjustment Plan and Performance Rating does not accurately calculate a shortfall MW. The calculation needs to be updated to accurately reflect how PJM calculates reductions from the customer base line in order to calculate a proper shortfall MW.*

#### **Problem Statement**

The current documented calculation for the Shortfall MW is erroneous. Taking the difference of the metered load and the customer baseline will only calculate a shortfall value when a resource does not reduce but has a greater metered load than the customer baseline. To date, this issue has caused no incorrect shortfalls to be calculated, since no Peak Saving Plans have been submitted and cleared in a capacity auction. While it is not possible to revise the language prior to the submission deadline (described below), PJM is proposing to use the Quick Fix (QF) process in accordance with Manual 34 Section 8.6.1 in order to make these changes as soon as possible following the submission deadline.

PJM filed a petition on August 23, 2021 to remove a waiver which changed the deadline for the submission of Peak Savings Plans. With the waiver in place, the Deadline is currently 135 days prior to the start of the Base Residual Auction, or January 31, 2022 for the 2024/2025 Auction. Removing this waiver would change the deadline to 10 business days prior to September 30, or September 16, 2021 for the 2024/2025 Base Residual Auction.