



Critical Natural Gas Infrastructure as DR in the PJM markets

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Markets and Reliability Committee

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- 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 2023-2PJM initiated Problem Statement and Issue Charged to proactively address issue prior to NERC standards
 - Discussion at DRS started in April '21
- Critical Natural Gas Infrastructure loads participation in PJM markets may be impacted (starting winter 2023/24)

PJM initiated [problem statement](#) to proactively address issue while NERC creates new standard

- DRS developed consensus proposal which included PJM input
 - Manual changes (endorsed at 10/6 MIC) – prohibit participation of critical natural gas infrastructure loads as DR/PRD
 - Governing Documents – definition of critical natural gas infrastructure and corresponding provisions to the manual changes.
 - MIC provided feedback on the definition
- November - Seek endorsement of manual and governing document changes at the MRC and MC
- January '23 - File Governing Document revisions with FERC
- Anticipate FERC approval by early March, in time for (2023/2024 3IA)

- Prohibit participation of critical natural gas loads as a DR/PRD resource
- “Critical Natural Gas Infrastructure” shall mean locations with electrical loads that are involved in natural gas production, processing, intrastate and interstate transmission and distribution pipeline facility as defined by NERC/FERC standard(s); and until such NERC/FERC standard(s) is developed, is defined as electric loads **that are involved in natural gas production, processing, intrastate and interstate transmission and distribution pipeline facility**, which if curtailed, will **significantly** impact the delivery of natural gas to bulk-power system natural gas-fired generation.
- CSPs with reliance on this type of load may use the 3rd IA to adjust their position.

Definition modified from approved DRS version based on MIC input

- OATT & OA
 - Definitions
 - Attachment K, Appendix Section 8.2 (and parallel provisions of OA, Schedule 1, section 8.2) - Participant Qualifications
 - Attachment K, Appendix Section 1.5A (and parallel provisions of OA, Schedule 1, section 1.5A) – Economic DR Participation
- OATT, RAA & OA
 - Tariff, Attachment DD-1 (and parallel provisions of RAA, Schedule 6) – Officer Certification and unrelated MOPR cleanup item in same document that we are revising
 - RAA, Schedule 6.1.B – PRD shall not include CNGI
- Manual 11
 - Section 10.2.2 – registrations shall not include CNGI
- Manual 18
 - Attachment C – DR Sell Offer Plan shall not include CNGI
 - Section 3A.3 – PRD shall not include CNGI

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Critical Natural Gas Infrastructure



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