

Ancillary Services	<p>PJM</p> <p>Those services that are necessary to support the transmission of capacity and energy from resources to loads while maintaining reliable operation of the Transmission Provider's Transmission System in accordance with Good Utility Practices. PJM Interconnection currently operates two markets for ancillary services: Regulation is a service that corrects for short-term changes in electricity use that might affect the stability of the power system. Synchronized Reserve supplies electricity if the grid has an unexpected need for more power on short notice. Black Start Service supplies electricity for system restoration in the unlikely event that the entire grid would lose power.</p>	<p>FERC</p> <p>Demand Response programs in which customers bid load curtailments in ISO/RTO markets as operating reserves. If their bids are accepted, they are paid the market price for committing to be on standby. If their load curtailments are needed, they are called by the ISO/RTO, and may be paid the spot market energy price.</p>
Baseline	<p>Used to measure load response in PJM's Load Response programs. 10 day period that is 2 days prior to the event. Average the daily event period usage. Throw out any day where the day's average daily event period usage is less than 75% of average event period usage. Average the 5 remaining days.</p>	
Capacity resource	<p>Includes megawatts of net capacity from existing or planned generation capacity resources or load reduction capability provided by Demand Resources or ILR in the PJM region</p>	<p>Demand Response programs in which customers offer load curtailments as system capacity to replace conventional generation or delivery resources. Customers typically receive day-ahead notice of events and face penalties for failure to curtail when called upon to do so. Incentives usually consist of up-front reservation payments.</p>
Conservation Demand Resources	<p>A resource with a demonstrated capability to provide a reduction in demand or otherwise control load. A Demand Response may be an existing or planned resource</p>	
Demand Response/Load Management	<p>Consist of direct load control, firm service level, or guaranteed load drop.</p>	<p>The planning, implementation, and monitoring of activities designed to encourage customers to modify patterns of electricity usage, including the timing and level of electricity demand. DR covers the complete range of load-shape objectives and customer objectives, including strategic conservation, time-based rates, peak load reduction, as well as customer management of energy bills.</p>

Distributed Generation/Behind the Meter Generation	<p>A generating unit that delivers energy to load without the Transmission System or any distribution facilities (unless the entity that owns or leases the distribution facilities consented to such use of the distribution facilities and such consent has been demonstrated to the satisfaction of the Office of Interconnection. Behind the Meter Generation may not include at any time any portion of a generating unit's capacity that is designated as a Capacity Resource or any portion of the output of a generating unit that is sold to another entity for consumption at another electrical location or into the PJM Interchange Energy Market at any time.</p>	
Emergency	<p>An abnormal system condition requiring manual or automatic action to maintain system frequency, or to prevent loss of firm load, equipment damage, or tripping of system elements that could adversely affect the reliability of an electric system or the safety of persons or property; a fuel shortage requiring departure from normal operating procedures in order to minimize the use of such scarce fuel; or a condition that requires implementation of emergency procedures</p>	<p>A Demand Response event called by the program sponsor in response to an emergency of the delivery system of the demand response sponsor or of another entity such as a utility or ISO.</p>
Emergency Programs	<p>A Demand Response program that provides incentive payments to customers for load reduction during periods when reserves fall short.</p>	
Energy Efficiency	<p>Refers to programs that are aimed at reducing the energy used by specific end-use devices and systems, typically without affecting the services provided. These programs reduce overall electricity consumption, often, but not always, without explicit consideration for the timing of program-induced savings. Such savings are generally achieved by substituting technology more advanced equipment to produce the same level of end-use services (e.g. Lighting, heating, motor drive) with less electricity. Examples include energy saving appliances and lighting programs, high efficiency heating, ventilation and air conditioning (HVAC) systems or control modifications, efficient building design, advanced electric motor drives and heat recovery systems.</p>	
Generation Capacity Resource	<p>A generation unit, or the right to capacity from a specified generation unit, that meets the requirements of the RPM Agreement. A generation resource may be existing or planned Generation Resource.</p>	
Installed Capacity	<p>Value based on the summer net dependable rating of the unit as determined in accordance with PJM's Rules and Procedures of the Determination of Generating Capacity</p>	

Measurement and Verification Hourly intergated meters or statistical sampling.
Electric Distribution Company, the Load Serving
Entity and the Curtailment Service Provider review
the data. The EDC makes final approval.

Planning