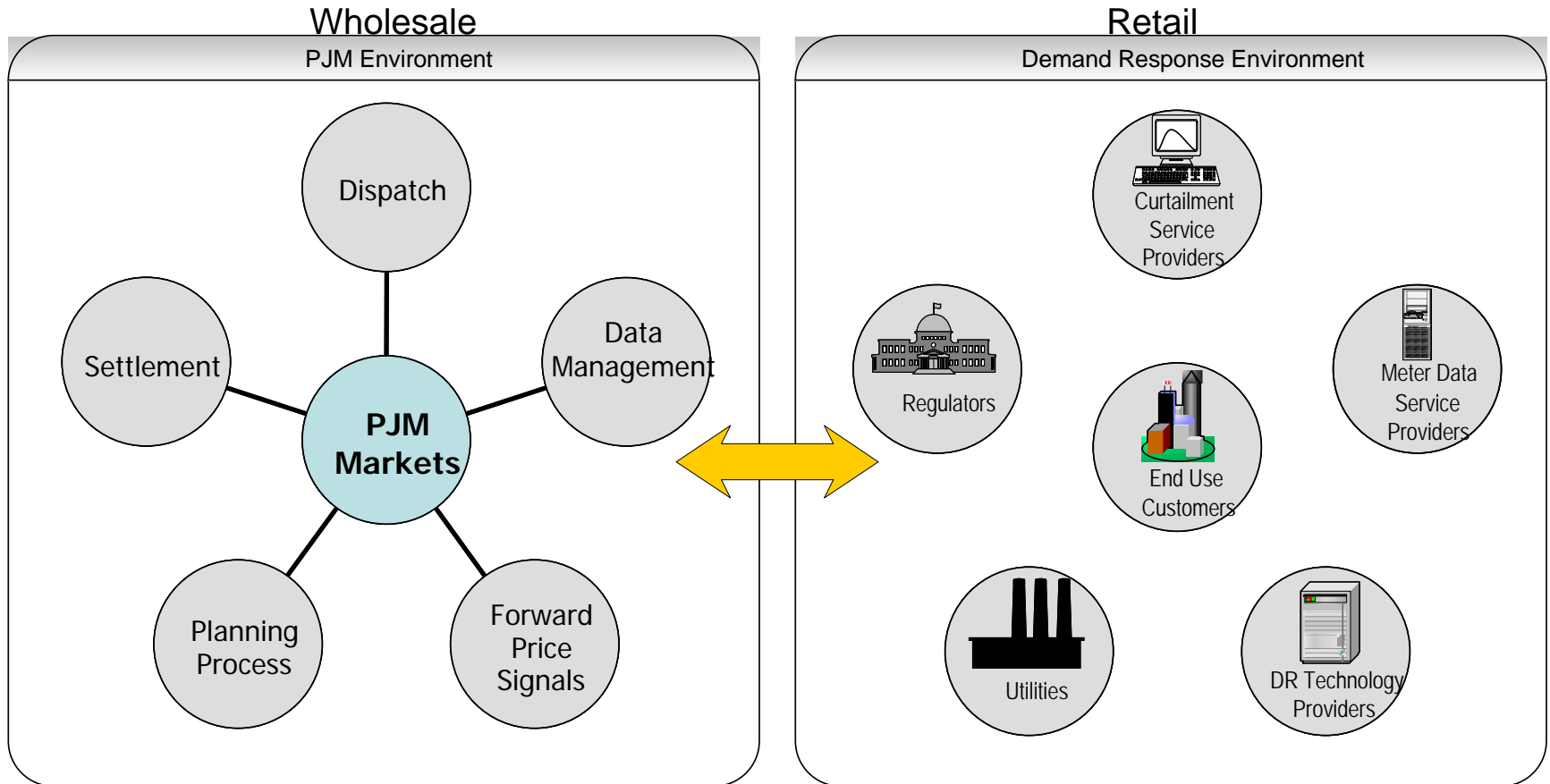


Collaborative Process to Turn the DR Symposium Findings into Action

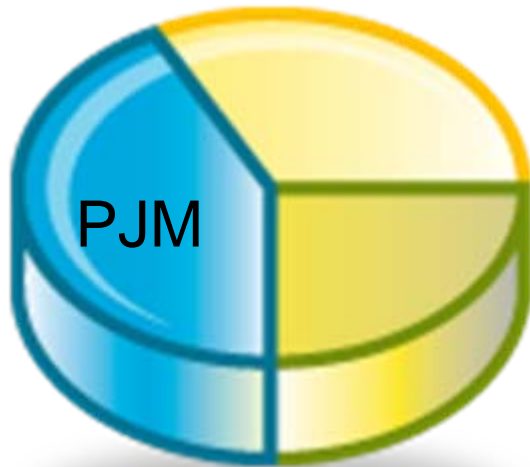
- MADRI Meeting –
March 4, 2008

Susan Covino
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Coordination between the retail and wholesale markets is necessary to capture the full value of demand response...

We need a DSR Roadmap



1. PJM receives curtailment data electronically and calculates CBL
2. Improvements to load response applications
3. Further integration of demand resources into core RTO processes

Key themes from the PJM Symposium on Demand Response and the MADRI/PJM Stakeholder processes



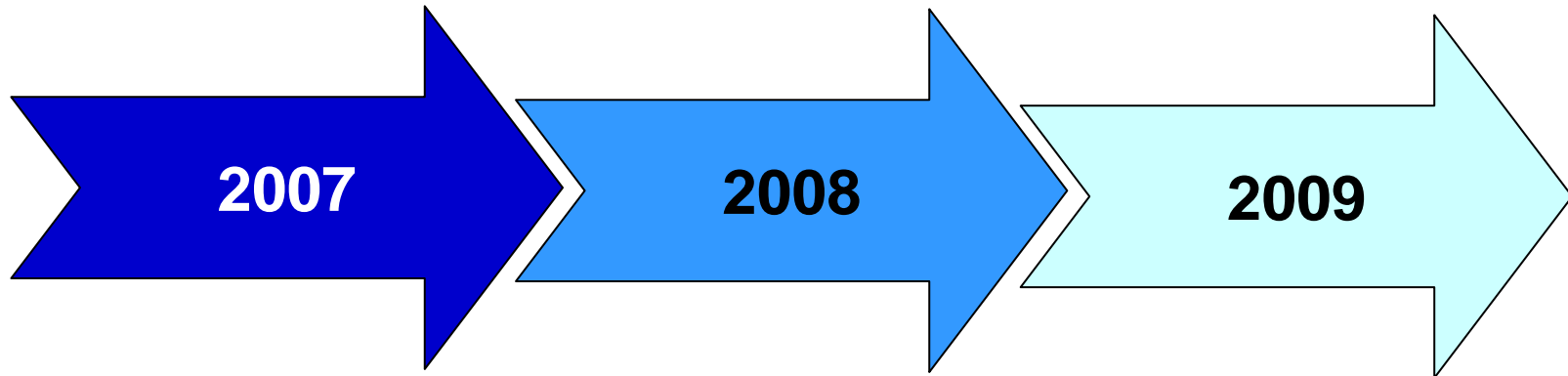
1. Retail rates that reflect wholesale pricing & provide customers with signals and real chance for savings
2. Expand consumer education on value of DR
3. Retail prices track wholesale prices and are communicated to customers in timely fashion for consumption decisions

Key themes from the PJM Symposium on Demand Response and the MADRI/PJM Stakeholder processes

1. Set Regional DR Goal (in MW, start with 3%)
2. Regional approach to standards, protocols, interoperability – for DR enabling technologies and AMI deployment
3. Leverage and expand existing programs that capture DR benefits



Key themes from the PJM Symposium on Demand Response and the MADRI/PJM Stakeholder processes



- Complete demand response road map
(See whitepaper for greater detail)

- Implement short term road map items
- Field test technologies & customer acceptance
- Complete regulated stakeholder & rulemaking process

- Update road map
- Implement road map items
- Collect data to monitor results

- Efficient communication of critical customer data without comprising customer privacy
 - Lack of transparency standardization for getting customer authorization
 - Data
 - Peak Load Contribution (PLC) value for ILR and DR
 - PJM requirement to complete calculation by January 1
 - Option to put PLC value in the notes section of the customer's bill
 - Loss Factor
 - G+T (retail rate)
 - EDC account number

- Deployment of appropriate demand response resources during emergencies/also dispatch in Real Time
 - Designated geographical point of the demand resource on the transmission system
 - Electrically closest pricing point 115KV and above
 - PJM developed system capability over one year ago
 - EDC agreement to provide this data in the first quarter of 2007