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| PUC logo | COMMONWEALTH OF PENNSYLVANIAPENNSYLVANIA PUBLIC UTILITY COMMISSIONP.O. BOX 3265, HARRISBURG, PA 17105-3265 | **IN REPLY PLEASE REFER TO OUR FILE**M‑2008‑2069887 |

**January 12, 2011**

TO ALL INTERESTED PARTIES:

Re: Energy Efficiency and Conservation Program.

 Docket No. M-2008-2069887

The purpose of this Secretarial Letter is to clarify that the PJM measurement and verification (PJM M&V) protocols for the PJM economic demand response programs, in effect for the PJM delivery and planning year beginning in June 2012 through May 2013, will be used as a basis for the Act 129 Statewide Evaluator’s measurement and verification for Act 129 load curtailment performance. The PJM M&V protocols include multiple customer baseline protocols, including a custom protocol for customers with highly variable and unpredictable loads. Electric Distribution Companies may use different protocols for different participants so long as the use of such protocols is permitted under PJM business rules as set forth in PJM Manual 19.[[1]](#footnote-1) Furthermore, the PJM direct load control protocols and standards found in PJM Manual 19, Attachment B, which are in effect for the PJM delivery and planning year 2012-2013 and appropriately applied can be used to value Act 129 direct load control measures.

It should be noted that the PJM M&V protocols for demand response capacity measures are disallowed as a basis for measurement and verification, unless the protocols are consistent with energy protocols. Ultimately, PJM M&V protocols for economic demand response programs must be utilized to value capacity-based demand response measured reductions during an Act 129 curtailment event.

If you have any questions regarding this Secretarial Letter, please contact Wayne Williams at 717-787-2139 or waywilliam@state.pa.us.



 Sincerely,

 Rosemary Chiavetta

 Secretary

cc: Chairman’s Office

 Vice Chairman’s Office

 Commissioners’ Office

 Karen Oill Moury, Director of Operations

 Bohdan R. Pankiw, Chief Counsel

 Robert F. Young, Deputy Chief Counsel

 Wayne L. Williams, Director, Conservation, Economics and Energy Planning

1. This manual can be found at <http://ftp.pjm.com/~/media/documents/manuals/m19.ashx>. [↑](#footnote-ref-1)