



Metropolitan Water Reclamation District of Greater Chicago

100 East Erie Street
Chicago, IL 60611

Legislation Text

File #: 19-1136, **Version:** 1

TRANSMITTAL LETTER FOR BOARD MEETING OF NOVEMBER 21, 2019

COMMITTEE ON PROCUREMENT

Mr. Brian A. Perkovich, Executive Director

Authorization to participate in Pennsylvania, New Jersey and Maryland (PJM) upcoming 2022/2023 Reliability Pricing Model (RPM) Base Residual Auction (BRA) for Demand Response (DR) (*As Revised*)

Dear Sir:

Since 1998, the District has participated in a voluntary curtailment program (Demand Response). In that time, the District has received approximately \$15.07M in total revenue for reducing electricity usage at designated times.

On June 6, 2019, the Board of Commissioners authorized the Director of Procurement and Materials Management to participate in the 2022/2023 PJM-BRA for the Demand Response program. The auction originally scheduled for July 10th through July 20th, 2019, was postponed indefinitely per a Federal Energy Regulatory Commission (FERC) order.

It is requested that the Board of Commissioners authorize the Director of Procurement and Materials Management to participate in the 2022/2023 RPM-BRA when it occurs, and to perform all PJM requirements to register District facilities for the Demand Response program.

If authorized to participate in the auction as a member of the PJM, the District will commit to curtail up to 24 MW. The committed amount will be pooled with other members' commitments and be auctioned together at the PJM RPM-BRA for DR. Each member will receive an equal dollar value per MW. In this program, penalties may be assessed if the committed level of curtailment is not reached during an event. In the District's past participation, the District has been able to meet the committed level of curtailments.

A report will be submitted to the Board of Commissioners on the results of the auction after it occurs.

Requested, John P. Murray, Director of Maintenance and Operation, EJS:MAG:JR:SES:PD
Recommended, Darlene A. LoCascio, Director of Procurement and Materials Management
Respectfully Submitted, Barbara J. McGowan, Chairman Committee on Procurement
Disposition of this agenda item will be documented in the official Regular Board Meeting Minutes of the Board of Commissioners for November 21, 2019