

# During Times of Peak Demand

#### What is a Demand Response Program?

Demand Response (DR) is an incentive program that encourages consumers to reduce or shift electricity use when demand or prices are high. The approach is not only a smart way to balance the power grid but an opportunity for consumers to get paid by reducing usage during DR events.



#### The Grid Has Limits

Sometimes, the demand for energy outpaces the grid's ability to supply it, causing brownouts or blackouts.



#### **Grid Operators Have Options**

Instead of producing more energy at the expense of consumers and the environment, grid operators can meet needs by reducing demand.



#### You Can Earn Cash for Doing Your Part

Grid operators will pay your business to reduce usage when demand for energy exceeds supply.

#### **HOW TO ENROLL & PARTICIPATE**

- Talk to your IGS Energy rep about your energy usage and peak demands
- Determine your load reduction methods, like turning equipment off or generator on
- IGS Energy calculates the amount of demand reduction you can contribute during DR events

- Sign your customized
  DR contract with IGS Energy
- Respond to DR events throughout the year by reducing usage
- Receive an annual payment based on your DR performance

### Demand Response FAQs

### What methods can I use to reduce load?

Depending on your load size, you can reduce load with equipment such as machinery, HVAC, generators, batteries, lighting, water heaters, refrigerators, and plug load.

### How do I know if I qualify to participate?

The minimum load-reduction requirement in PJM territory is 100 kW. Your IGS Energy representative will help you determine if you're eligible for a DR program.

### How will I know when there is a DR event?

During enrollment, you'll determine three points of contact at your facility who will be notified by phone, text, and/or email before an event.

### What should I do during a DR event?

Once notified, follow the reduction procedure identified during enrollment. For example, you could turn on your enrolled backup generator or battery backup for the duration of the event.

## What happens if there are no DR events?

Events vary by season and utility; some years have none. If this happens, you'll only be required to participate in a 2-hour DR test but will still be paid for enrolling your assets.

## How much will I get paid to participate?

Annual payouts are calculated based on your load reduction and the annual PJM auction clearing prices.

#### When will I get paid?

You'll receive your incentive at the end of each PJM capacity year you're enrolled in DR with IGS Energy.

# Do I have to reduce my usage to zero during DR events?

No. During enrollment, you'll work with your IGS Energy representative to determine how much you can reduce energy usage during a DR event.

# What happens if I don't reduce energy use during a DR event or test?

Payment is based on performance during events. If you don't meet your reduction goals, payment will be adjusted accordingly.

#### Start a Simple Q&A Today

Connect with your IGS Energy representative to learn more and explore your options.

