

Dear valued customer,

PJM's Peak Load Contribution (PLC) season is upon us. As a reminder, each Customer's annual capacity costs are set by the Customer's usage contribution to PJM's peak hour during the grid's five (5) peak days between June 1 and September 30, multiplied by the auction clearing price. **For all customers who have the capacity component of their product passed through, this is your opportunity to reduce your costs for next year!**

For accounts with interval meters, any usage reduction during these hours can help to reduce capacity costs starting in June of the following year. Customer accounts billed by the utility based upon a profile shape (small, non-interval metered load) would not receive the benefit for reducing their load in a specific hour, unless they have an sizeable overall reduction to their total monthly consumption. For the purposes of this exercise, we recommend focusing on your facilities that have interval meters. If you have any questions about non-interval metered load, just ask.

How can you reduce your load? This is all dependent on your facility and operations. The most common methods of reducing load include turning off or turning down electrical motors, adjusting climate controls, running back-up generators, and reducing lighting in unused areas to safe levels. Remember, safety first!

How will you be notified? IGS Energy's Supply Team will issue a report at the beginning of each week to inform you of the possibility that a peak day may occur. A sample is attached. An update will be sent the morning of a possible peak day, including possible factors that may affect that possibility, such as varying temperature forecasts, forecasted rain, and possible load curtailment. As the day progresses, updates will likely be released as the potential peak hour approaches.

Will we hit all 5 days? Although there are no guarantees, last year 9 days were identified by IGS as medium or high probability to be peak days, and all 5 of the peak days were captured. Last year's 5 Coincident Peak (5CP) days experienced load between 138,617 – 145,638 MWs. This year, we will begin with a control target of 133,000 MWs for PJM RTO load due to increased energy efficiency and behind the meter solar which continues to place downward pressure on peak load levels in PJM and other RTOs.

If you have any questions, please don't hesitate to reach out!

Warmest Regards,

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