

**UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION**

Voltus, Inc., and Mission:data	)	
	)	Docket No. EL26-4-000
	)	
v.	)	
	)	
PJM Interconnection, L.L.C.	)	
	)	

REPLY BRIEF OF THE INDEPENDENT MARKET MONITOR FOR PJM

Pursuant to the Commission’s order establishing paper hearing procedures issued July 29, 2026,¹ Monitoring Analytics, LLC, acting in its capacity as the Independent Market Monitor (“Market Monitor”) for PJM Interconnection, L.L.C. (“PJM”),² submits this Reply Brief. The Reply Brief responds to the initial brief filed by PJM interconnection, L.L.C. (“PJM”) on September 14, 2026 (“PJM Initial Brief”).

The July 29th Order determined that, in some circumstances, statistical sampling can constitute a reasonable alternative to direct interval meter measurement.³ The July 29th Order also recognized however, that statistical sampling is inherently less accurate than actual interval meter data and directed the paper hearing to determine limitations necessary to mitigate the risk that a cumulative sampling error could materially affect PJM’s

¹ *Voltus, Inc., et al. v. PJM*, 196 FERC ¶ 61,074 (July 29th Order).

² Capitalized terms used herein and not otherwise defined have the meaning used in the PJM Open Access Transmission Tariff (“OATT”), the PJM Operating Agreement (“OA”) or the PJM Reliability Assurance Agreement (“RAA”).

³ July 29th Order at P 73.

ability to rely upon load reductions from Emergency Load Response Program (“ELRP”) and Pre-Emergency Load Response program participants.⁴

PJM’s Initial Brief appropriately preserves actual interval meter data as the preferred means of measuring performance. PJM proposes that sampling be available only where interval meter data is not reasonably accessible, limits eligibility to residential customers with Direct Load Control and two way switch communication, establishes objective criteria for demonstrating an access barrier, and proposes to tighten the statistical sampling standard to a maximum error of 5 percent at a 95 percent confidence level.⁵ The Market Monitor agrees with PJM that those measures are appropriate and should be incorporated into the replacement rate.

If the Commission approves the use of the statistical sampling method, PJM’s proposed measures are not sufficient to address the issues created by the method. Most significantly, PJM acknowledges that it does not have enough information to define a maximum level of MW based on the statistical sampling method above, of which cumulative sampling errors would have a negative impact on reliability because PJM cannot rely on the capacity MW based on those estimates.⁶ That uncertainty supports the use of a cap on the amount of MW that may be established through statistical sampling. The July 29th Order recognized that a 5 percent error applied to 1,000 MW of sampled load reduction could represent 50 MW of potential error and that such an error is not insubstantial in absolute terms.⁷ The July 29th Order recognized that, if the statistical sampling method were approved, a MW cap could be required to address the reliability

⁴ July 29th Order at PP 70, 76.

⁵ PJM Initial Brief at 3–4, 11–14.

⁶ *Id.* at 12.

⁷ July 29th Order at P 74.

concerns.⁸ Given that PJM cannot even estimate the correct MW value of that cap,⁹ an actual test of the proposal with real customers and real data is an essential step before the sampling approach can be reasonably accepted or rejected based on real evidence.

For the first time in the history of PJM, PJM currently relies on demand side resources to meet the reliability target. In addition, PJM is currently significantly short of the reliability target. It is more essential than ever that PJM rely on proven technologies that dispatchers can rely on to provide reliability. The data on recent events shows that existing demand resources meet only from 50 to 60 percent of their obligation and that performance is even worse if only the non-utility programs are considered.^{10 11} That result is based on actual metering of large customers. The proposal is to add significant uncertainty to this mix. There is no reason to put the reliability of the system at risk because there are barriers to data access and costs associated with those barriers. There is not enough actual data available currently to support the Voltus proposal. The conclusion to draw from PJM's appropriate concerns is not to simply go ahead with the risky Voltus approach. The first conclusion should be that the direct cause of the issue should be addressed. The barriers to data access should be addressed. The second conclusion should be that there needs to be rigorous testing of any statistical sampling approach.

Prior to implementation of any statistical sampling method, there should be a rigorous test of the statistical sampling approach that includes a large sample of retail customer participants in a demand response program, each with actual metered data, that

⁸ *Id.* at P 76.

⁹ PJM Initial Brief at 12.

¹⁰ See PJM, Market Monitoring Report (June 24, 2026) <<https://www.pjm.com/-/media/DotCom/committees-groups/committees/mc/2026/20260624/20260624-item-07---market-monitoring-report---presentation.pdf>>.

¹¹ See 2026 Quarterly State of the Market Report for PJM: January through June, Section 6: Demand Response (Table 6-20).

can compare the results of the sampling approach with the actual response. Such a large scale test should include PJM and the Market Monitor in the design and review of results and a report to the Commission. That is the only way for PJM and the Commission and the PJM customers who rely on a reliable grid to have a reasonable expectation that the sampling approach will not lead to a decrease in reliability. The Voltus approach would use the PJM system as a large scale experiment with the risks of failure imposed on all PJM customers.

The statistical sampling method does not define the actual details of how the statistical method is applied. The initial test/study would provide critical input into the details of any such approach, including stratification, sample size by strata, criteria for stratification, geographical information; income information; information about appliances; and more. Neither the CSPs, nor PJM, nor the Commission have addressed these critical inputs that significantly affect the outcome. It is not enough for PJM to reference a manual that was written without considering the issues related to the current proposal under consideration by the Commission.

There is no definition of “a documented showing of lack of reasonable access” although PJM proposes three checks. Such a clear definition is necessary to ensure that statistical sampling does not become a substitute for direct measurement where direct measurement is available. Given that the data is actually available, the real issue is the cost of acquiring the data. The lack of “reasonable access” should not be that there is a cost to acquiring the data. The access threshold should be based on the rigorously demonstrated cost of acquiring data and the threshold that makes acquiring the data not profitable. In addition, the Commission should require a demonstration by the CSP wishing to use sampling that it has investigated all software options for obtaining the data.

If the Commission plans to allow any form of statistical sampling, the Market Monitor recommends as the first required condition before any sampling is permitted and before the final rules are defined that there be a rigorous test of the sampling method that would compare actual metered data with the sampling approach. After review of the

results of that test, if the Commission plans to allow a sampling approach, the Market Monitor recommends, as required conditions to protect system reliability and data integrity that the CSP: (1) retain actual interval meter data as the default; (2) permit statistical sampling only upon a documented showing of lack of reasonable access, as the Market Monitor has defined this showing; (3) limit the exception to residential Direct Load Control resources with two way switch communication; (4) adopt PJM's proposed 5 percent/95 percent statistical standard; (5) establish an initial MW cap on sample load reduction capability; (6) require ongoing, periodic validation against actual interval meter data; (7) require annual reporting by PJM and the Market Monitor concerning the accuracy and growth of sampled MW; and (8) provide PJM and the Market Monitor with comprehensive audit and verification authority, including access to all data.

By definition, there can be no direct evidence that statistical sampling would endanger the reliability of the system because the introduction of the proposed statistical sampling approach has not happened. However, it is clearly established that demand side resources are already part of PJM's reserve margin and that PJM is short of its required reserve margin. It has been established that existing demand resources, based on metered data, have not performed well. Therefore, it can be concluded if residential demand resources are added that cannot be accurately verified and that cannot guarantee performance at any reasonable level, that PJM's calculated reserves will be overstated and that PJM operators will believe that they have resources available that they do not actually have.

The CSPs are attempting to create a FERC jurisdictional process that would allow the CSPs to avoid directly dealing with their access to EDC data that is under state jurisdiction. The CSPs should be required to demonstrate that they have pursued every reasonable method for acquiring the data from the EDCs before any statistical sampling method is permitted by the Commission. If the policy of the state regulators of the EDCs is to not provide the data to the CSPs after hearing the evidence about the impacts on selling demand resources, then that is state policy.

A core concern about a method that allows CSPs to extrapolate performance from a relatively small sample to a larger group for which there is no data is the potential for gaming. Once a sample is defined, regardless of the selection method used, the sample is not random for purposes of calculating the extrapolated savings. The statistical sampling method creates a small group that defines the total calculated savings. This approach creates a strong incentive to focus on the performance of the sample group and takes extra steps to ensure that the sample group has higher measured savings while not taking the same measures with the broader group. The result would be to overstate the total savings. All the discussions of measured savings ignore the fact that even the “measured” savings depend on a counterfactual customer baseline estimate of what the customers would have used but for the demand side measures applied. The sampling method assumes that the baseline methods can be broadly extrapolated across a large group of heterogeneous customers.

I. ARGUMENT

A. The Commission Did Not Adopt a General Right to Use Statistical Sampling.

The July 29th Order stated that statistical sampling is a valid means of approximating load reductions when interval meter data is not reasonably available.¹² At the same time the July 29th Order recognized that “statistical sampling is never as accurate as interval meter data” and acknowledged the Market Monitor’s concern that expanded sampling could degrade the accuracy of information available to PJM.¹³ The distinction between these propositions is important. The Commission did not determine that statistical sampling and direct interval measurement are equivalent. Rather, the July 29th Order determined that

¹² July 29th Order at P 73.

¹³ *Id.* at P 71.

statistical sampling may be justified if the data is not reasonably accessible.¹⁴ The Commission order on this should therefore be designed around the premise that statistical sampling is an exception justified only by demonstrated lack of access, not an alternative measurement method that a CSP may elect whenever sampling is less costly or administratively more convenient, which it will likely always be.

PJM's proposal recognizes this distinction but does not go far enough in defining the conditions under which statistical sampling may be used and the methods for ensuring the accuracy of the results. PJM proposes that CSPs may use sampling for interval metered residential customers only where the CSP attests that it cannot reasonably access the interval meter data and satisfies one of three specified conditions.¹⁵ The replacement rate should make clear that the existence of an interval meter creates a presumption in favor of using the actual interval meter data. A CSP should not be permitted to replace actual measurement with statistical estimation merely because the process for obtaining the data is less convenient, less automated, or more expensive than the sampling alternative. This limitation is important because the purpose of the replacement rate is to address the specific access problem identified by the Commission. It should not unintentionally create a broader opportunity or incentive for CSPs to migrate customers from actual measurement to statistical estimation. The CSPs clearly have a financial incentive to use sampling rather than actual data. That is why clear and enforceable rules about the threshold are critical, if sampling is to be allowed.

B. PJM Proposes Some Good Objective Access Criteria and Requirements for CSPs to Substantiate Their Claims.

PJM proposes three circumstances under which a CSP could demonstrate that interval meter data is not reasonably accessible: (1) state law, RERRA rules or EDC tariffs

¹⁴ *Id.* at P 72.

¹⁵ PJM Initial Brief at 2.

restrict access; (2) the EDC provides data only through procedures that prevent the CSP from timely submitting the information to PJM; or (3) data access fees are economically prohibitive because the fee per registrant exceeds expected revenue per registrant.¹⁶

The Voltus criteria could be met by almost any data access process anywhere in the PJM market. There are always barriers to data access, whether based on security or software or hardware limitations. It is essential that there be a rigorously defined, clear and enforceable rule that defines the threshold for data that is not reasonably accessible. This is not an abstract discussion, but one that directly affects the reliability of the PJM system. The CSPs have a strong incentive to overstate the data access issues because that reduces costs and increases profitability.

A lack of automated access should not establish lack of reasonable access. PJM correctly proposes that the lack of programmatic access or an electronic interface, standing alone, should not establish that interval meter data is not reasonably accessible.¹⁷ The July 29th Order identified evidence concerning restrictions on electronic interfaces, small data batches, security mechanisms, and other administrative barriers as relevant to the specific access problem observed by Voltus.¹⁸ The existence of an administrative obstacle does not by itself establish that the data is unavailable or that the CSP cannot reasonably obtain it. PJM appropriately distinguishes between an inability to obtain data and the absence of an automated method of obtaining data.¹⁹ A CSP should not be permitted to replace actual interval meter data with statistical estimates merely because an EDC has not developed an API or EDI interface for third-party CSPs. Such a result would unnecessarily sacrifice measurement accuracy and could create opportunities for CSPs to seek sampling rather

¹⁶ *Id.* at 4–5.

¹⁷ *Id.* at 8.

¹⁸ July 29th Order at P 67.

¹⁹ PJM Initial Brief at 9.

than invest in reasonable procedures for obtaining actual data. The Commission should therefore adopt PJM's proposed provision making clear that the absence of programmatic access does not, stand alone, constitute lack of reasonable access.

PJM's proposal concerning security procedures is that security procedures should not be deemed to constitute a per se barrier.²⁰ Security mechanisms such as two factor authentication should not establish lack of reasonable access. Strong security measures should be encouraged in the interest of protecting this highly sensitive customer data. PJM's proposed 40 day standard is arbitrary and not long enough, particularly given the long lags in PJM's current reporting requirements for demand side results²¹ In general, data security protections should not be considered a basis for using sampling unless they can be demonstrated to be a willful barrier designed to limit access.

The Market Monitor supports PJM's proposal that ordinary data access fees should not qualify as an access barrier.²² Data access fees do not justify statistical sampling. EDCs incur costs to operate and maintain advanced metering infrastructure and to process data requests. The mere existence of a fee therefore does not establish that interval meter data is not reasonably accessible. PJM's proposed economic test, whether the fee per registrant exceeds expected revenue per registrant, provides one objective basis for identifying circumstances in which the cost of obtaining the data would effectively preclude participation.²³ The Commission should make clear that a CSP bears the burden of demonstrating the actual cost and economic consequences, including economies of scale and scope, rather than merely asserting that data access is expensive. If the actual costs of having reliable data exceed the revenues from selling demand response, that is reasonably

²⁰ *Id.* at 9.

²¹ *Id.* at 10.

²² *Id.* at 9.

²³ *Id.* at 8.

interpreted as a market signal that the activity is not profitable. The solution is not to ignore those costs, but to focus on more profitable opportunities. Even if it is established that paying the costs of acquiring the data is not profitable, that should not be accepted as a reason for not using data.

The Market Monitor supports PJM's proposal that a CSP provide an annual sworn attestation in addition to supporting documentation upon request by PJM or the Market Monitor.²⁴ This should include unlimited access by PJM and the Market Monitor to all supporting data and information. However, a simple after the fact attestation is not adequate and attestations run the risk of being simply for show. It is difficult or almost impossible to enforce such attestations. The CSP should bear the burden of demonstrating the qualifying barrier before it is allowed to use statistical sampling as an alternative. This requirement is necessary because the exception will be available only when the CSP cannot reasonably obtain actual interval meter data. A CSP should therefore be required to demonstrate the steps that it took to obtain the data and exactly what the barrier is to obtaining the data. The required documentation should include detailed evidence that: (1) the CSP requested the interval meter data; (2) the identity of the EDC or other entity from which the data was requested; (3) the date and manner of the request; (4) the response received; (5) the applicable fee; (6) any applicable state, RERRA or EDC restriction; (7) the data access process offered by the EDC; (8) the detailed reasons that the process prevented access to the data including documentation that each of the required conditions are met; (9) the costs of data acquisition compared to the revenue; and (10) the reason that the process would prevent its use in PJM's demand side programs.

²⁴ *Id.* at 7–8.

C. Limiting the Sampling Exception to Residential Direct Load Control Resources with Two Way Communication Is Just and Reasonable.

The Market Monitor supports PJM's proposal to limit the expanded sampling exception to residential customers with Direct Load Control and two way switch communication.²⁵ This limitation provides an important independent check on the statistical estimate. PJM explains that two way communication permits the CSP to receive confirmation that the switch successfully cycled in response to the CSP's instruction.²⁶ The CSP can then calculate a performance factor reflecting the proportion of switches that actually responded and apply that factor to the sample load reduction estimate.²⁷ This is a meaningful safeguard because it establishes that the control instruction was received and that the controlled equipment responded. The Market Monitor emphasizes however, that switch confirmation does not measure the amount of MW reduction produced by the control action. A switch can successfully cycle without establishing the MW reduction or that there was any MW reduction. Two way communication therefore supplements, but does not replace, actual interval meter measurement.

The limitation should be incorporated as a condition of eligibility for the use of statistical sampling, rather than treated merely as one option for mitigating sampling error. The July 29th Order recognized the significance of Direct Load Control in determining whether statistical sampling could provide reasonable assurance of load reduction.²⁸ Limiting expanded sampling to resources with two way Direct Load Control therefore provides an essential control on the statistical sampling method, if approved.

²⁵ *Id.* at 11.

²⁶ *Id.* at 11.

²⁷ *Id.* at 11–12.

²⁸ July 29th Order at P 74.

D. PJM Should Be Required to Establish an Initial MW Cap on Sampling.

A principal deficiency in PJM's proposal is its recommendation against establishing a MW cap. PJM states that it does not have enough information regarding the expansion of statistical sampling to establish a threshold beyond which additional sampled MW would be detrimental to PJM's ability to rely upon load reductions.²⁹ PJM's actual lack of information creates uncertainty about the potential impacts on markets and reliability. That is a reason to establish a conservatively low cap and not a reason to have unlimited participation. PJM should propose a conservative initial cap with empirical validation.

The July 29th Order raised the possibility of a MW cap because it recognized that cumulative statistical error may materially affect PJM's ability to rely upon the defined reductions and therefore affect both markets and reliability.³⁰ The magnitude of that potential error increases with the amount of load reduction being estimated. The absolute MW consequence of the error necessarily becomes larger as the sample population grows.

PJM confirms the absence of an empirical basis for determining the amount of sampled MW that can safely be relied upon.³¹ The uncertainty is not a reason to authorize unlimited sampling. Instead, the uncertainty is a reason to establish a conservatively low MW cap. An initial MW ceiling on the amount of residential load reduction capability should be established that may rely upon statistical sampling under the new exception. The cap should remain in effect until PJM has accumulated sufficient data to support retaining the cap, a reduction in the cap or an increase in the cap. The Commission has expressly deferred judgment on the appropriate limitations pending development of this record.³²

²⁹ PJM Initial Brief at 12.

³⁰ July 29th Order at P 76 and Briefing Question 3.

³¹ PJM Initial Brief at 12.

³² July 29th Order at P 76.

E. The Proposed 5 Percent/95 Percent Standard Does Not Eliminate the Need for a MW Cap or Validation.

The Market Monitor supports PJM's proposal to use a statistical sampling standard of a maximum 5 percent error at a 95 percent confidence level.³³ The proposal is a significant improvement over the existing 10 percent error at a 90 percent confidence level that the Commission described in its July 29th Order.³⁴ PJM estimates that the tighter standard would increase the required sample size from approximately 150 to approximately 850 customers under the assumptions described in its filing.³⁵ The Commission should adopt this more rigorous standard. It should not, however, treat the tighter statistical standard as eliminating the concern about cumulative error. A statistical confidence interval describes the probability and magnitude of sampling error under the specified statistical method. It does not convert an estimate into a direct measurement, nor does it establish that a given amount of aggregate estimated MW is sufficiently accurate for PJM's operational and reliability purposes. The Commission's own example demonstrates the distinction.³⁶ As the population subject to sampling increases, the absolute MW consequence of a given error percentage likewise becomes larger.

PJM does not explain exactly how it would require CSPs to apply the defined criteria to real data in order to ensure that the criteria are met.

The appropriate framework is therefore cumulative: an initial study; more rigorous sampling, limited eligibility, independent verification, a MW cap, and empirical validation. Each safeguard addresses a different aspect of the problem. The initial study defines the exact statistical methods that should be applied; a tighter statistical standard improves the

³³ PJM Initial Brief at 13.

³⁴ July 29th Order at P 71.

³⁵ PJM Initial Brief at 13.

³⁶ July 29th Order at P 74.

quality of each estimate; the eligibility limitation reduces the risk that poorly verifiable resources enter the sampled population; the access criteria prevent unnecessary substitution of sampling for actual data; and the cap and validation requirements limit the consequences of uncertainty while empirical information is developed.

F. Periodic Validation Against Actual Interval Meter Data Should Be Required.

The Commission should require a full study of the proposed method before implementing it. That study will support or not support the approach and provide critical input into the detailed statistical design if it is supported. That is the prudent course given the potential impacts on markets, other market participants and on PJM reliability. If this first test is passed, then ongoing, annual validation against actual data should be required, for all the same reasons.

PJM acknowledges that requiring CSPs to provide complete interval meter data could permit PJM to audit registrations and verify compliance with events.³⁷ PJM declines to recommend a mandatory annual full data submission because of potentially significant administrative costs and uncertainty concerning the incremental benefit.³⁸ PJM has its concerns backwards. The relevant uncertainty is about the impact of the statistical sampling approach on PJM markets and reliability. Any doubt or uncertainty should be resolved in favor of increased certainty. Requiring this data should be an absolute requirement for the proposed statistical approach.

This information would permit PJM and the Market Monitor to determine whether the statistical method is performing as expected in practice. The importance of such validation increases as the amount of MW increases. Without actual meter comparisons,

³⁷ PJM Initial Brief at 14.

³⁸ *Id.*

there is no reliable mechanism for determining whether the sampling method remains sufficiently accurate when applied to materially larger populations.

The Commission should also require PJM and the Market Monitor to submit annual informational reports addressing the results of this validation. This approach directly responds to the Commission's concern regarding cumulative error and provides the empirical evidence needed to determine whether additional sampling can safely be authorized.

G. PJM Should Retain Oversight of Sample Selection and Sample Design.

PJM states that Manual 19 already requires random selection and stratification by control device size and geographic location and concludes that it should not matter whether PJM or the CSP performs the random selection.³⁹ Of course it matters. PJM's authority to independently review, and where appropriate, direct the sample selection process, should be preserved. At a minimum, the Commission should require that specific parameters be defined and approved before running the preliminary test: (1) the complete population from which the sample was selected; (2) the sampling frame; (3) stratification method; (4) random selection process and records; (5) customer and device characteristics used in stratification; (6) the sample results; and (7) all calculations used to derive the population estimate. PJM and the Market Monitor should have full access to these records. PJM and the Market Monitor should also retain authority to require an independently selected sample when PJM or the Market Monitor identify a reason to question whether the sample is representative.

Regardless, no sampling method can resolve the issue that once the sample exists, the CSPs have a significant incentive to take extra actions to increase savings for the sample given its leveraged impact on estimated total savings. The statistical sampling method

³⁹ *Id.* at 15.

creates a small group that defines the total calculated savings. This approach creates a strong incentive to focus on the performance of the sample group and take extra steps to ensure that the sample group has higher measured savings while not taking the same measures with the broader group. The result would be to overstate the total savings.

H. Direct Alternative Metering Should Be Encouraged Where Feasible.

PJM states that no additional tariff modifications are necessary to permit alternative metering technology because Attachment K Appendix Section 8.3 already permits customer owned metering equipment and establishes accuracy requirements, including a maximum two percent meter error.⁴⁰ The tariff should remain technology neutral and customer owned or CSP acquired interval meters should remain available where they can provide accurate and verifiable measurement. The appropriate hierarchy should be: (1) actual EDC interval meter data; (2) accurate alternative interval meter data; and (3) statistical sampling only if the first two are not available and the statistical sampling method has been tested and approved. This hierarchy preserves the Commission's objective of removing unreasonable barriers without unnecessarily sacrificing direct measurement. PJM's existing two percent meter accuracy requirement and Manual 11 requirements provide an appropriate framework for alternative measurement.⁴¹ The Commission should therefore clarify that the availability of statistical sampling does not relieve a CSP of the obligation to use accurate direct measurement where a compliant alternative metering method is reasonably available as defined by clear and verifiable criteria.

⁴⁰ *Id.* at 16.

⁴¹ *Id.* at 16–17.

I. The Commission Should Require Additional Verification of Load Reduction Capability.

PJM recommends no additional requirements to verify load reduction capability, relying instead upon existing contractual and registration requirements.⁴² Additional verification is warranted when statistical sampling is used.

PJM's existing requirements establish that a CSP must have customers under contract and provide a reasonable estimate of the expected load reduction at each location.⁴³ Those requirements are important, but they do not independently establish that every customer in a sampled population possesses and can operate the equipment necessary to produce the claimed reduction. This distinction becomes more important when actual customer level interval meter performance is not being measured.

CSPs using statistical sampling should be required to maintain sufficient information to demonstrate that sampled customers possess the qualifying Direct Load Control equipment and that the equipment is operational and connected to the CSP's control system. This information should include: (1) equipment type; (2) control device identification; (3) evidence of two way communication; (4) installation or enrollment records; (5) customer location; (6) claimed load reduction capability; and (7) records demonstrating that the device successfully responded to test or event instructions multiple times per year. Targeted verification and audit authority should be approved. The objective is to prevent statistical sampling from becoming a mechanism through which a CSP can obtain compensation for a population whose underlying load reduction capability has not been adequately verified.

⁴² *Id.* at 18.

⁴³ *Id.*

J. The Statistical Sampling Method, if Approved, Should Preserve the Distinction Between Participation and Reliable Measurement.

Even if the statistical sampling method, with proposed improvements, were approved, that does not eliminate the need to establish the quantity and reliability of the resource that is permitted to participate. The replacement rate should therefore not be interpreted as establishing that increased participation itself justifies an equivalent expansion of the amount of load reduction that PJM may rely upon. The distinction is important because demand response is not directly measured supply. Its value depends upon a customer's willingness and ability to reduce consumption in response to an instruction. Where actual interval meter data is available, the resulting performance can be directly measured. Where statistical sampling is used, the resulting MW value is necessarily an estimate. The larger the amount of sampled capability, the greater the potential absolute consequence of estimation error. This concern is not theoretical. A statistical method should not create an unbounded measurement uncertainty.

II. CONCLUSION

The Market Monitor respectfully requests that the Commission afford due consideration to this brief as the Commission resolves the issues raised in this proceeding.

Respectfully submitted,



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Dated: October 14, 2026

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon each person designated on the official service list compiled by the Secretary in this proceeding.

Dated at Eagleville, Pennsylvania,
this 14th day of October, 2026.



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