

Cost Development Subcommittee Report PJM Interconnection Markets and Reliability Committee The Chase Center on the Riverfront, Wilmington, DE September 15, 2011

The <u>Cost Development Subcommittee</u> met on September 12, 2011. This meeting covered the following items:

No-Load Costs – CDS reviewed and endorsed changes to PJM Manual 15 <u>No-Load Cost calculations</u>. PJM staff will present the recommended changes to the No-Load cost calculations at the October MRC meeting for review and for endorsement at the November MRC meeting as appropriate.

Variable Operating and Maintenance (VOM) Cost Definition – CDS discussed and revised the VOM Cost Definition Collaborative Solution Matrix. Development of a consensus position on the VOM cost definition will be the primary focus of the October CDS meeting.

Unit Types Not Addressed in Manual 15 – CDS reviewed the educational document for <u>Unit Types not addressed in Manual 15.</u> CDS will prioritize the various classes of units to be addressed at the October CDS meeting.

Administrative Items:

The next CDS meeting will be held on October 17, 2011.

Future Issues

The CDS plans to address the following future topics:

- Immature Unit Definition
- Combined Cycle Modeling
- Cyclic Peaking Factors for Combined Cycle Units

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