

December CDS Update

VOM Development Issue Content

The intent of this work is to elaborate on and provide additional clarification to Market Sellers on the VOM review guidelines in accordance with the standards in Manual 15 Cost Development Guidelines and Schedule 2 of the Operating Agreement.

Key Work Activities and Scope

- Provide detailed guidance and updates, as necessary, in Manual 15 and Schedule 2 of the Operating Agreement for:
- Clarifications for Market Sellers who use monthly operating costs
- **Years of available operating history and clarifications for situations where documentation is unavailable for immature units**
- The use of multiple maintenance adders and units of measure (e.g. \$/hour or \$/start) for LTSA costs
- Clarifications around averaged maintenance adders for similar units
- Clarifications for the use of VOM in all ancillary services (e.g. synchronized reserves, condensing costs, regulation)
- The need for changes to Manual 15's list of system that are directly related to electric production
- **The annual VOM review process around**
 - **Coordination of PJM and IMM reviews**
 - **Acceptable levels of documentation**
- **Research and recommendations related to the use of default VOM adders**

Jan – Mar

Apr – Jun

Jul – Sep

Oct – Dec

CDS
2022
Items

Start-Up Cost Offer Development

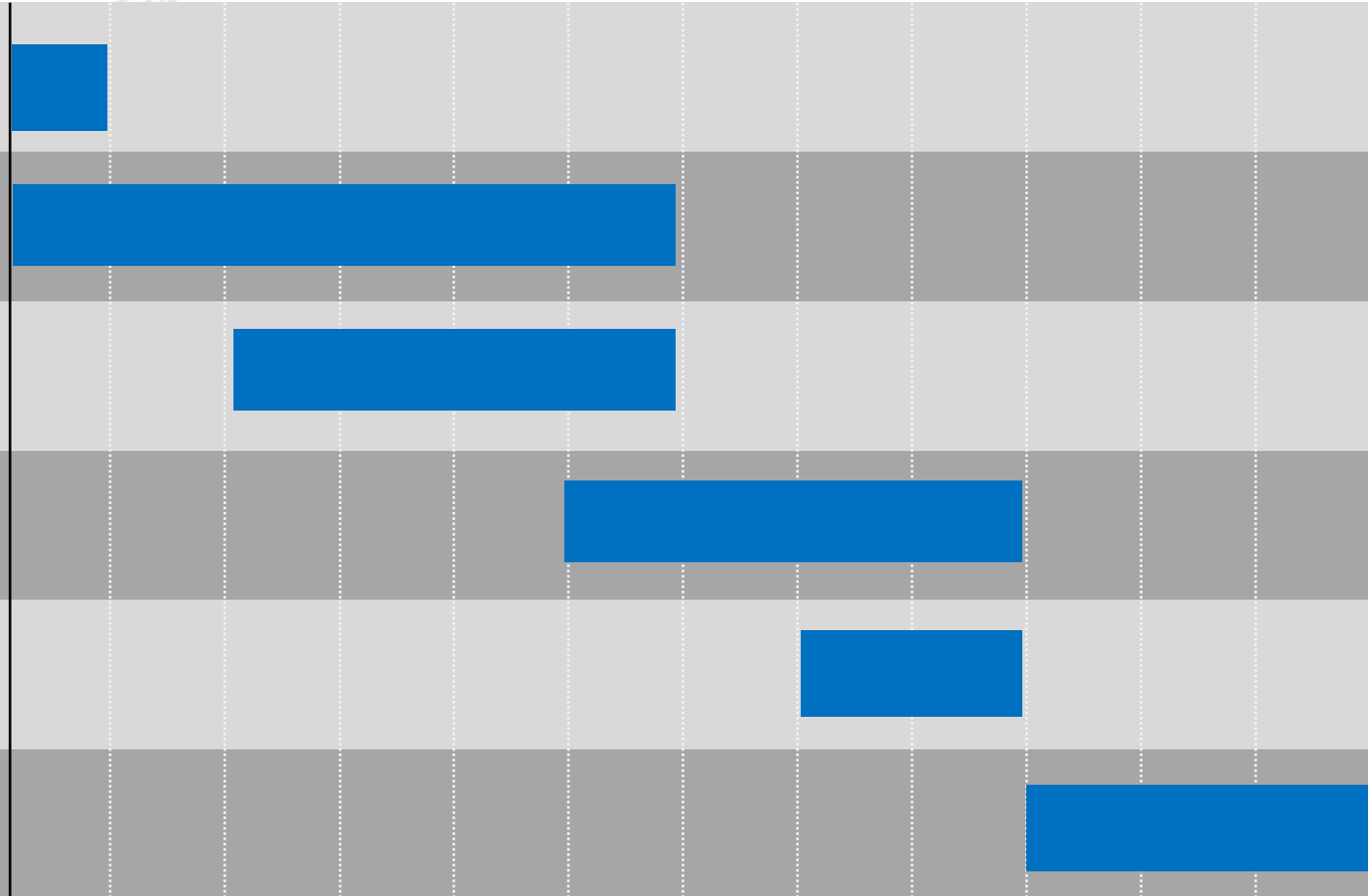
VOM Development

Cost Offer Template

Heat Input Options/Modeling

Bi-annual Manual 15 Review

Pumping Costs



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