

# Cold Weather Resource Operational Exercise Next Steps

July 7, 2015 Operating Committee

www.pjm.com PJM©2015



## Status Quo Review (from 6/9/2015 OC)

Topic	Status Quo
<b>Exercise Period</b>	Month of December
Exercise Temp.	If projected temperature is > 35° F, PJM may elect to cancel
<b>Exercise Time</b>	Approximately 0600 hours – 1200 hours weekdays
Exercise MW	Amount of generation to be exercised limited to approximately 1000 MW daily
Exercise Type	Start-up unit and operate at economic minimum for minimum run time
Eligible Units	<ul> <li>Participation is optional</li> <li>Units that have not run at all or those that have not run on their alternate fuel for the eight weeks prior to 11/1</li> <li>Eligibility reviewed every two weeks</li> <li>Nuclear powered, wind turbines, hydro powered, and large super critical steam generation resources excluded</li> <li>All compensation based on cost schedule</li> </ul>
Number of Compensated start attempts	Not defined

www.pjm.com 2 PJM©2015



## Survey Results / Comments (from 6/9/2015 OC)

### **Survey Results:**

Do you prefer to eliminate the Cold Weather Generation Exercise program?

Retain Program: 116

Eliminate Program: 3

Do you prefer the Cold Weather Generation Exercise program to remain as is?

Maintain Status Quo: 93

Make a change: 26

#### Positive feedback:

- Program should remain voluntary
- Provided significant reliability benefits
- Results were valuable
- Do not make any changes
- Program worked great



## Suggestions for criteria changes (from 6/9/2015 OC)

- Expand exercise period from 12/1-12/31 to 11/1 1/15
- Expand temperature range from 35° to 40° in southern zones only
- Expand allowable testing times to match gas day 0600 1200 hrs. to 0001 – 1000 hrs.
- Review eligibility more frequently from biweekly to weekly
- Allow more megawatts per day current cutoff 1,000 MW/day



- Provide clarity around combined cycle offers and compensation
- Do not settle the units day ahead
- Review type of units that have cold weather problems and concentrate on those
- Units take on unnecessary risks by participating
- Data inconclusive to indicate that the improved performance justified the cost
- Emphasize the use of the Cold Weather Checklist



- 7/7/2015 OC Meeting: Feedback on specific "Suggestions for criteria changes" (highlighted on slides 4 and 5)
- 7/7/2015 OC Meeting: Finalize proposed M14D revisions with agreed upon enhancements
- Proposed M14D schedule:
  - Manual changes first read: July OC and MRC
  - Manual changes endorsement: August OC and MRC

6

Effective date of changes: September 1, 2015



- coldweathergenprep@pjm.com
- David Schweizer, 610-666-4503, david.schweizer@pjm.com
- Ray Lee, 610-666-4608, ray.lee@pjm.com