



# M18 Updates for ER14-294

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MRC Meeting  
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- Conforming revisions for FERC Order ER14-294, approved 11/28/2014, effective 12/01/2014 to revise:
  - Variable Resource Requirement Curve shape
  - Gross CONE values
  - Net Energy & Ancillary Services Offset methodology
- Changes were outcome of the Triennial Review process conducted in 2014

M-18 Section	Conforming revisions effective with 2018/2019 Delivery Year
3.3.1 Cost of New Entry	<ul style="list-style-type: none"> <li>• Eliminate CONE Area 5</li> <li>• Gross CONE values for PJM Region will be average of gross CONE values for four CONE Areas</li> <li>• Replace Handy Whitman Index adjustment with US Bureau of Labor (BLS) Composite Index</li> </ul>
3.3.2 Net Energy and Ancillary Services Offset	<ul style="list-style-type: none"> <li>• Determine Net E&amp;AS Revenue Offset for each Zone</li> </ul>
3.3.3 Net Cost of New Entry (new section)	<ul style="list-style-type: none"> <li>• Determine Net CONE for each zone</li> <li>• Net CONE for a modeled LDA shall be average of Net CONE values for all zones within the modeled LDA</li> </ul>
3.4 & 3.4.1 Plotting the Variable Resource Requirement Curve	<ul style="list-style-type: none"> <li>• Revise points (a), (b), (c) of VRR Curve</li> </ul>