

Manual 15 (Cost Development Guidelines)

MMUAC

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Manual 15

- **Manual 15 is supposed to be the document that contains the details of the methods for developing costs-based offers in PJM.**
- **Manual 15 falls short of its goal.**
- **Many sections of the manual are left open to interpretation.**
- **In many cases, the methods used by generators are documented in fuel cost policies.**

Manual 15

- **The current version of Manual 15 should be discontinued and replaced with a straight forward document that details all the methods that a generator can use to calculate cost-based offers.**



Examples of Issues

- **Combined cycle heat input curve.**
- **Combined cycle start cost net gen offset.**
- **Aggregated units modeling.**
- **Incremental offer curve calculation.**
- **No load cost calculation.**
- **Sloped vs. stepped.**
- **Station service / start heat assumptions.**

MMU Cost Offer Technical Guide

- The MMU drafted a cost-based offer technical guide to document the equations that Manual 15 is lacking.
- The purpose of the guide is to:
 - Clarify existing Manual 15 (PJM Cost Development Guideline) language.
 - Provide clear equations for the calculation of accurate cost-based offers.
 - Include detailed, easy to follow examples.
 - Help prevent mistakes in submitting offers for thermal units.
- http://www.monitoringanalytics.com/reports/Technical_References/docs/MM_Cost_Based_Offer_Technical_Guide_20200716.pdf

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