



# Fuel Cost Policy Update Annual Review



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Market Implementation Committee  
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- Annual review is under way
- June 15 – November 1 (annual review period)
- August 1, 2017 – Deadline to submit separate Emissions & VOM calculations.
  - Templates are available on the [Fuel Cost Policy](#) page
    - [VOM Template](#)
    - [Emissions Template](#)
- Future – PJM is developing requirements to track/submit/administer Fuel Cost Policies, and will allow Market Sellers to indicate if the policy is still compliant, or, submit a new policy for review and approval.

By June 15, all Market Sellers were required to either:

- Submit an updated Fuel Cost Policy for review, or;
- Confirm their currently approved Fuel Cost Policy remains compliant

By August 1, all Market Sellers will be required to submit for each market unit both:

- a. An Emissions calculation
- b. A Variable Operations & Maintenance (VOM) calculation where VOM costs are calculated in accordance with Manual 15 & the Operating Agreement, Schedule 2.

\*Only Market Sellers who include Emission & VOM adders are required to submit these calculations.

\*Generators need to submit VOM & Emissions data in accordance with how they are modeled in the Markets Gateway

PJM reserves the right to request a Market Seller submit a new policy during the annual review.

- This request would be related to conforming changes related to Market Rule changes
- For example, specific documentation required for an ex-ante verification and submission timeline

- All Market Sellers with Natural Gas Fuel Cost Policies will be required to update the policies during the annual review in 2017 due to Intraday Offers (IDO)/Hourly Offers market rule changes.
- Due to the opt-out ability within Intraday Offers, Market Sellers need to specify in their Fuel Cost Policy if they choose to update their offers hourly.
- As we review individual FCP's that indicated they were still compliant with governing documents we will send out and update to indicate new effective date upon approval.

- All Market Sellers who have new resources within PJM, either a new unit or a unit transfer must have an approved policy prior to entering offers into Market Gateway.
- If you are have questions on the status of your Fuel Cost Policy, or related to the VOM and Emissions calculations, please contact: [fuelcostpolicyanalysis@pjm.com](mailto:fuelcostpolicyanalysis@pjm.com)