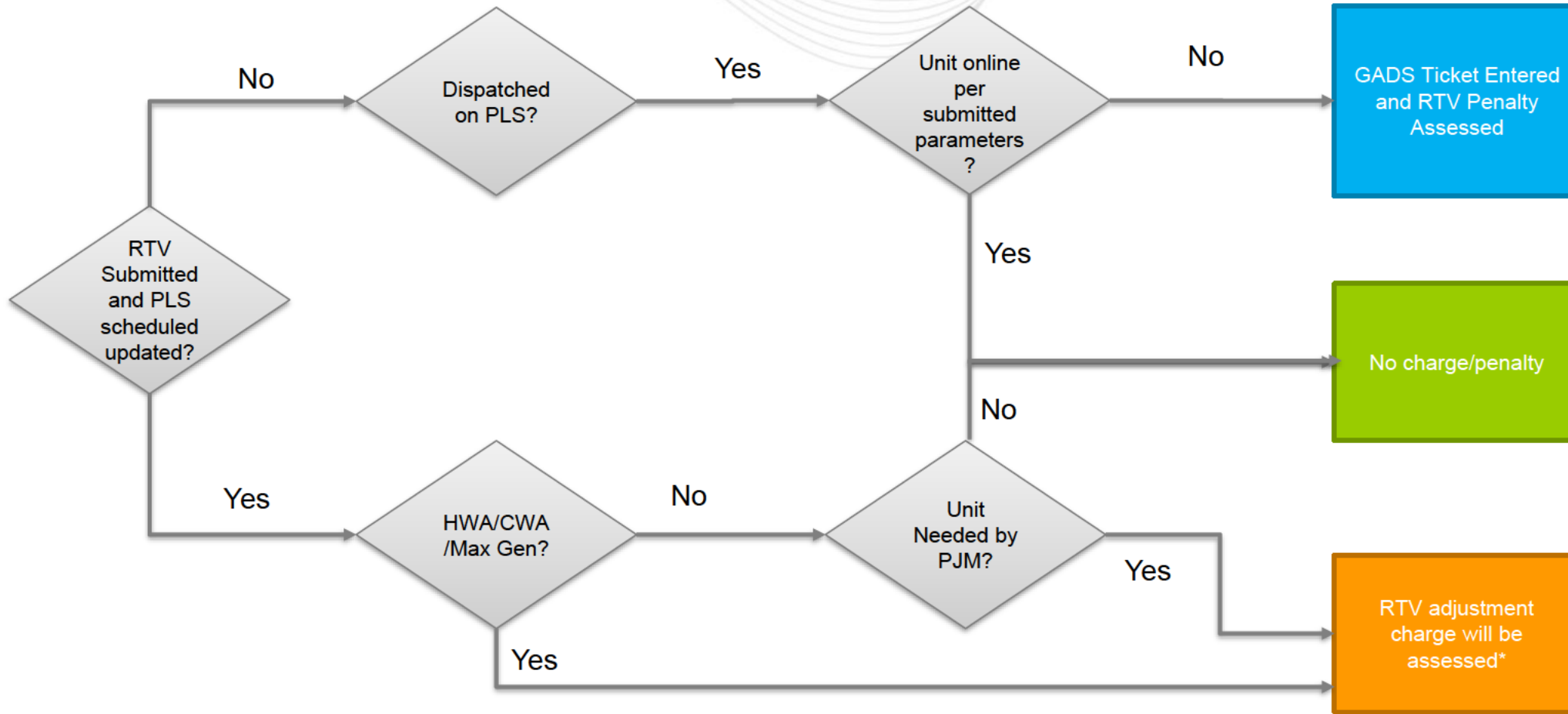




PJM Proposed Solution – Penalty and Charge Structure

Lauren Strella Wahba
Engineer, Generation Department



RTV Not Used (not reflecting known actual operating conditions)



Resource dispatched by PJM based on PLS and unit cannot respond



GADs ticket required **AND** a RTV **penalty** is assessed

RTV Used (overriding unit specific parameters on price based PLS or cost based schedules)



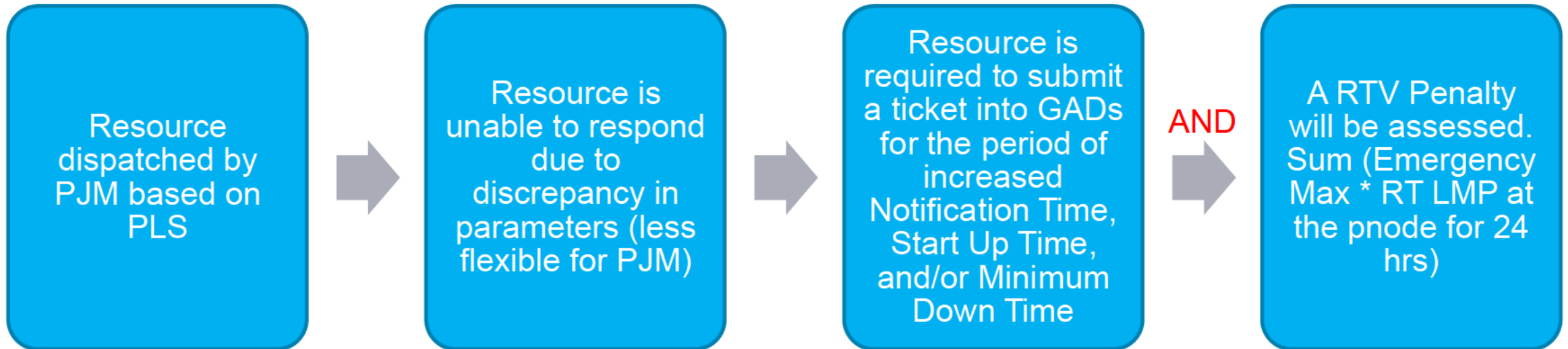
During HWA, CWA, Max Gen Emergency RTV adjustment charge will be assessed

RTV Used (overriding unit specific parameters on price based PLS or cost based schedules)



During times when unit is determined to have been needed by PJM a RTV adjustment **charge** will be assessed **only** when incremental energy offer < hourly LMP

RTV Not Used (not reflecting known actual operating conditions)



RTV Used (overriding unit specific parameters on price based PLS or cost based schedules)

A RTV is submitted and the parameter limit is overridden on either the price based PLS or cost based schedules



During a hot weather alert, cold weather alert, or max gen emergency



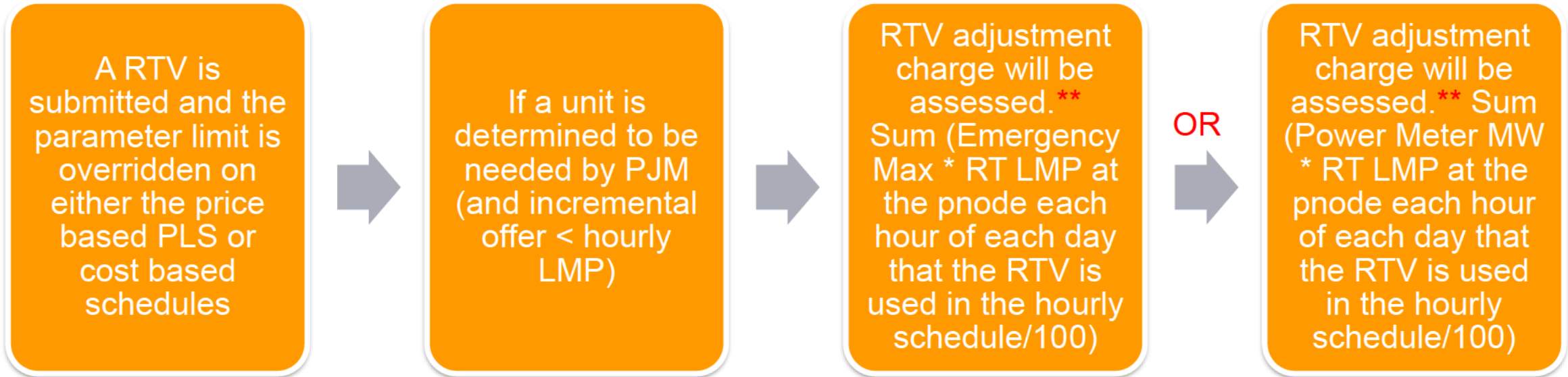
RTV adjustment charge will be assessed.
Sum
(Emergency Max * RT LMP at the pnode each hour of each day that the RTV is used in the hourly schedule/100)

OR



RTV adjustment charge will be assessed. Sum
(Power Meter MW * RT LMP at the pnode each hour of each day that the RTV is used in the hourly schedule/100)

RTV Used (overriding unit specific parameters on price based PLS or cost based schedules)



* Incremental energy offer on a PLS based schedule is less than or equal to hourly LMP

** Adjustment Charge will only be assessed if incremental energy offer is < hourly LMP. If incremental energy offer is > hourly LMP, adjustment charge will not be assessed.

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PJM Proposed Solution – Penalty and Charge Structure



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