



VRR Curve Review: Scope of Work Summary

CSTF

December 3, 2013

- **Design Objectives**
 - Reliability, Economics, Other
- **Evaluate Overall Shape**
 - Example: quantify tradeoffs in reliability, cost, price volatility of current and alternative demand curve shapes
- **Individual Price and Quantity Points**
 - Example: Point “A” on VRR Curve and price cap amount
- **Evaluate Local and Incremental VRR Curves**

Simulation Inputs:

- Supply Curve, Entry, and Exit
 - Demand Curve and Zones
 - Reliability Metrics vs. Reserve Margin
 - Random shocks to supply, demand, transmission
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- Summarize Price and Quantity Distributions of simulation results

Net CONE:

- Reference Technology Type
- Energy and Ancillary Service Offset

Gross CONE:

- Engineering cost study of a reference CC and CT in the five CONE areas

- Final VRR Curve Assessment Report shared with stakeholders on or before May 15, 2014
- Final CONE study report, presentation, and excel spreadsheet shared with stakeholders on or before May 15, 2014