

RPM Net Revenue Components

RPM Avoidable Costs Workshop November 8, 2006

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Revenues:

- Energy market
 - Day ahead energy market MW and LMP at the specific generator bus.
 - Balancing market energy market MW and LMP at the specific generator bus.
 - Start up and no-load reimbursement for PJM scheduled resources.
 - Operating reserve day ahead and balancing payments.
- Bilateral contracts





Revenues:

- Ancillary services
 - Regulation
 - Spinning
 - Reactive
 - Black start





Costs:

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- Energy market
 - Includes all PJM dispatched and self scheduled generation
 - Non-exempt generator
 - Utilize submitted cost based offer data
 - Exempt generator
 - Utilize estimated parameter values
 - » Heat rate, start up and no-load
 - » Delivered fuel costs
 - » Emission rates and market credit costs
 - » Variable operations and maintenance costs
 - » Actual bus auxiliary power cost
- eMeter administration charges
- PJM schedule 9.3 charges
- Operating reserve deviation charges

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