# *[Unit/Company]* Fuel Cost Policy: Batteries and Fly Wheels

*General Instructions:*

*This template was developed by Monitoring Analytics to aid Market Sellers in the development of fuel cost policies that meet the IMM’s standards.*

*This template covers the cost-based offer calculation method for battery and fly wheel resources. Modifications to this template can be made in order to provide additional background. Modifications will be evaluated by the IMM for consistency with the IMM’s standards.*

*The template contains text in italics and/or brackets that should be completed or that provide clarifying instructions.*

*Before submitting the final version of this document, please remove any of the instructions in brackets and the “draft” watermark.*

# Energy Cost Development

The Market Seller has determined that the units covered under this policydo not have the physical capability to operate in the PJM energy market. The Market Seller will not submit offers start, no load, or incremental energy offers.

# Regulation Cost Development

## Energy Storage Losses

*[Describe method for calculating costs associated with estimated losses and frequency of updating costs for use in regulation cost offers.]*

## Numerical Example

*[Provide a numerical example replicating the calculation of recently submitted regulation capability and mileage offers for a specified operating day.]*