Cold Weather Resource Operational Exercise
PJM Manual M14D Section 7.5 Revisions

August / September, 2015
PJM Committees
2015 Operating Committee (OC) Activities:
• Review of Winter 2014/2015 exercise analysis results
• Review of Issue Charge and next steps
• Initial OC Survey
  – Positive Feedback – program should be continued
  – Suggestions for criteria changes
  – Additional comments / minor process enhancements
• OC Survey of options for moving forward
Option selected via OC Survey (see Appendix):
Option 1: Status quo including minor process changes

Minor process changes are:

- Requiring a primary AND alternate date for the exercise be submitted to PJM
- Clarifying combined cycle offers for generators exercising one CT on alternate fuel
- Requiring generators to submit results of the exercise to PJM
- Report completion of cold weather preparation checklist via eDART

Draft manual language included in meeting materials reflects status quo plus minor process changes.
Next Steps – M14D, draft Rev 36 – Section 7.5, Cold Weather Generation Resource Preparation

• OC – First read 8/11, Endorsement 9/8
• SOS – Review 8/26
• MRC – First read 8/27, Endorsement 10/1
• Manual M-14D, Revision 36 Effective Date – 10/2/2015
Appendix

Operating Committee Survey Results
Options for path forward for Manual M14D, Section 7.5
Option 1: Status quo including minor process changes:

- Requiring a primary AND alternate date for the exercise be submitted to PJM
- Clarifying combined cycle offers for generators exercising one CT on alternate fuel
- Requiring generators to submit results of the exercise to PJM
- Report completion of cold weather preparation checklist via eDART

<table>
<thead>
<tr>
<th>OC Survey Results</th>
<th>#</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>70</td>
<td>62.5%</td>
</tr>
<tr>
<td>No</td>
<td>42</td>
<td>37.5%</td>
</tr>
<tr>
<td>Abstain</td>
<td>24</td>
<td>17.5%</td>
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Option 2:
Status quo including minor process changes (see Slide #6)
AND
addition of not compensating CP resources for performing the exercise after the winter 2015/2016

<table>
<thead>
<tr>
<th>OC Survey Results</th>
<th>#</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>56</td>
<td>42.4%</td>
</tr>
<tr>
<td>No</td>
<td>76</td>
<td>57.9%</td>
</tr>
<tr>
<td>Abstain</td>
<td>4</td>
<td>2.9%</td>
</tr>
</tbody>
</table>
Option 3:
Status quo including minor process changes (see Slide # 6)
AND
substantive changes identified in initial OC survey, including impact review of changes after winter 2015/2016 to assess continuation of program:
  • Expand exercise period from 12/1-12/31 to 11/1 – 1/15
  • Expand temperature range from 35º to 40º in southern zones only
  • Increase megawatts allowed to exercise per day from 1000 to 1200 MWs

<table>
<thead>
<tr>
<th>OC Survey Results</th>
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<th>%</th>
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</thead>
<tbody>
<tr>
<td>Yes</td>
<td>41</td>
<td>33.9%</td>
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<tr>
<td>No</td>
<td>80</td>
<td>66.1%</td>
</tr>
<tr>
<td>Abstain</td>
<td>15</td>
<td>10.6%</td>
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</table>
Options for path forward for M14D, Section 7.5

Option 4:
Status quo including minor process changes (see Slide #6)

AND

substantive changes identified in initial OC survey (See Slide # 8), including impact review of substantive changes after winter 2015/2016 to assess continuation of program

AND

addition of not compensating CP resources for performing the exercise after the winter 2015/2016

<table>
<thead>
<tr>
<th>OC Survey Results</th>
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</thead>
<tbody>
<tr>
<td>Yes</td>
<td>46</td>
<td>34.3%</td>
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<tr>
<td>No</td>
<td>88</td>
<td>65.7%</td>
</tr>
<tr>
<td>Abstain</td>
<td>2</td>
<td>1.5%</td>
</tr>
</tbody>
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