



## Cost Development Subcommittee CONSENSUS PROPOSAL REPORT

### No Load Cost Definition

11/8/2011

This report is pending final consideration at CDS on November 14, 2011.

This proposal brings forward manual language changes for Manual 15: Cost Development Guidelines to better explain No Load fuel and No load cost calculation.

The proposal described below is being recommended by the Cost Development Subcommittee. This report was developed in accordance with procedures documented in Section 7 of the PJM Stakeholder Process Manual (Manual 34).

#### 1. Recommended Proposal

This change to No Load language in Manual 15 adds clarity and examples to aid participants in the development of their no load costs. This change adds guidance to the appropriate no load calculation that should be used for block loaded or unit offers that use bid slope. It also creates a new rule that in instances when a no-load cost may have to be adjusted to ensure that the slope of the generator offer curve is monotonically increasing, the No-Load cost adjustment is limited to a maximum difference of \$1/MW between the unit's first and second incremental cost offers.

#### 2. Stakeholder Process Summary

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#### 3. Appendix II: Stakeholder Participation

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